Journal of the Senate

State of Indiana

114th General Assembly — First Regular Session

Eighteenth Meeting Day — Thursday Afternoon — February 10, 2005

The Senate convened at 1:34 p.m., with the President of the Senate, Rebecca S. Skillman, in the Chair.

Prayer was offered by Pastor Clarence Brown, Second Baptist Church, Bedford, the guest of Senator Brent Steele.

The Pledge of Allegiance to the Flag was led by Senator Steele.

The Chair ordered the roll of the Senate to be called. Those present were:

Alting	Long
Antich-Carr	Lubbers
Bowser	Lutz
Bray	Meeks
Breaux	Merritt
Broden	Miller
Clark	Mishler
Craycraft	Mrvan
Dillon	Nugent
Drozda	Paul
Ford	Riegsecker
Gard	Rogers
Garton	Server
Harrison	Simpson
Heinold	Sipes
Hershman	Skinner
Howard	Smith
Hume	Steele
Jackman	Waltz ▶
Kenley	Waterman
Kruse	Weatherwax
Lanane	Wyss
Landske	Young, M.
Lawson	Young, R.
Lewis	Zakas

Roll Call 111: present 49; excused 1. [*Note: A ▶ indicates those who were excused*.] The Chair announced a quorum present. Pursuant to Senate Rule 5(d), no motion having been heard, the Journal of the previous day was considered read.

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 17

Senate Concurrent Resolution 17, introduced by Senator Landske:

A CONCURRENT RESOLUTION to encourage the preservation of rail corridors.

Whereas, Transportation demands are increasing in our state;

Whereas, Adequate transportation is critical to economic growth in our state;

Whereas, Safety and environmental concerns are paramount for Indiana's future transportation system;

Whereas, Rail capacity, both for freight and passenger, is shrinking;

Whereas, Indiana does not have a modern means to deal with rail abandonment of freight railroads;

Whereas, A sensible means is needed to both protect near-term and long-term citizen interests;

Whereas, Indiana laws and regulations are cumbersome to respond to federal preemptive laws regarding rail abandonment; and

Whereas, Preserving rail corridors should be a priority for our state: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly recognizes the importance of preserving rail corridors.

SECTION 2. That the Legislative Council is urged to direct the Rail Corridor Safety Committee, or any other appropriate interim or statutory study committee, to study the following issues:

(1) The possibility of Indiana reducing state hearings on abandonment to one for each abandonment.

(2) The possibility of Indiana requiring all railroads to provide our state with first right of refusal for any rail lines considered for abandonment.

(3) The possibility of implementing mechanisms to establish a revolving fund to support potential purchases of such critical abandoned rail properties.

SECTION 3. That the Rail Corridor Safety Committee, or other committee, if directed to take such action, shall operate under the direction of the Legislative Council and shall issue a report when directed to do so by the Council.

The resolution was read in full and referred to the Committee on Commerce and Transportation.

Senate Resolution 9

Senate Resolution 9, introduced by Senator Ford:

A SENATE RESOLUTION urging the Indiana economic development corporation and the aeronautics section of the Indiana

department of transportation to hold a statewide summit to discuss the status of aviation in Indiana.

Whereas, The development of the Gary/Chicago International Airport meant increased economic opportunity and tax revenues for northwestern Indiana;

Whereas, Further development in the field of aviation could provide much needed economic revitalization, business expansion, and job creation for Indiana;

Whereas, Some options that a summit should consider are the development of air passenger and air freight service improvements and a long range implementation plan;

Whereas, The implementation plan should include options for legislative and executive action; and

Whereas, The aviation industry provides Indiana communities with services and contributes to their economic and social development: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana:

SECTION 1. That this resolution urges the Indiana economic development corporation and the aeronautics section of the Indiana department of transportation to hold a statewide summit to discuss the status of aviation in Indiana.

SECTION 2. That the statewide summit be used to develop recommendations for transportation economic development policy, alternative modes of transportation, and use of new transportation technologies;

SECTION 3. That the results of the statewide summit be used to determine whether the aviation industry in Indiana needs to be reexamined to ensure that Indiana makes the best possible use of its resources to stimulate economic growth in Indiana.

SECTION 4. That the Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the commissioner of the Indiana department of transportation and to the chairperson of the board of the Indiana economic development corporation.

The resolution was read in full and referred to the Committee on Commerce and Transportation.

Senate Resolution 10

Senate Resolution 10, introduced by Senator Harrison:

A SENATE RESOLUTION urging the Legislative Council to direct the Pension Management Oversight Commission to study the possibility of removing the January 1, 2008 expiration date from IC 5-10.3-11-4.7, which addresses distributions from the pension relief fund to units of local government.

Whereas, The provision in IC 5-10.3-11-4.7, which requires that annual payments from the pension relief fund to a unit of local government may not be less than half of the total of certain pension payments to be made by the unit in the calendar year, is set to expire on January 1, 2008: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana State Senate urges the Legislative Council to direct the Pension Management Oversight Commission to study the possibility of removing the January 1, 2008 expiration date from IC 5-10.3-11-4.7 which requires that annual payments from the pension relief fund to a unit of local government may not be less than half of the total of certain pension payments to be made by the unit in the calendar year.

SECTION 2. That the Pension Management Oversight Commission, if directed to take such action, shall operate under the direction of the Legislative Council and shall issue a report when directed to do so by the Council.

SECTION 3. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the Legislative Council.

The resolution was read in full and referred to the Committee on Pensions and Labor.

Senate Resolution 11

Senate Resolution 11, introduced by Senator Harrison:

A SENATE RESOLUTION urging the Legislative Council to direct the Pension Management Oversight Commission to study the possibility of repealing the expiration of the public safety deferred retirement option plan (DROP).

Whereas, IC 36-8-8.5-14, which addresses the timing for members to exit the DROP, is set to expire on January 1, 2008: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana State Senate urges the Legislative Council to direct the Pension Management Oversight Commission to study the possibility of repealing the expiration of the public safety deferred retirement option plan (DROP).

SECTION 2. That the Pension Management Oversight Commission, if directed to take such action, shall operate under the direction of the Legislative Council and shall issue a report when directed to do so by the Council.

SECTION 3. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the Legislative Council.

The resolution was read in full and referred to the Committee on Pensions and Labor.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill 88, has had the same under consideration and begs leave to report the same back to the Senate

with the recommendation that said bill be amended as follows:

Page 2, reset in roman line 4.

Page 2, line 5, reset in roman "services currently".

Page 2, line 6, after "judge." insert "**performed as:**

(A) a judge (as defined in IC 33-38-6-7); or

(B) a magistrate under IC 33-23-5.".

Page 6, reset in roman line 27.

Page 6, line 28, reset in roman "services currently".

Page 6, line 29, after "judge." insert "**performed as:**

(A) a judge (as defined in IC 33-38-6-7); or

(B) a magistrate under IC 33-23-5.".

(Reference is to SB 88 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

HARRISON, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill 508, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 7, Nays 3.

HARRISON, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill 423, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 10, delete "participant commits misconduct while in active service" and insert "**participant:**

(1) is charged with a criminal offense that is:

(A) a felony related to the participant's service as a public officer or public employee; or

(B) a misdemeanor involving an act that has resulted in a financial loss to the state or in an unlawful benefit to an individual in the conduct of state business; or

(2) is the subject of an inspector general's report certified to:

(A) the attorney general under IC 4-2-7-6; or

(B) a prosecuting attorney under IC 4-2-7-7;".

Page 1, line 11, delete "on the force,".

Page 1, line 11, begin a new line blocked left beginning with "the PERF board".

Page 1, line 11, delete "conduct a hearing" and insert "**take the actions described in subsection (d).**

(d) Whenever the PERF board receives the charges or a certified report under subsection (c), the PERF board may begin an investigation. If, after conducting an investigation, the PERF board decides, by a majority vote, to conduct further proceedings".

Page 1, line 13, delete "misconduct" and insert "**participant's conduct**".

Page 1, line 16, delete "appropriate." and insert "**appropriate; the PERF board shall schedule a public hearing on the matter not later than sixty (60) days after the criminal prosecution is completed. The PERF board shall notify the participant not later than five (5) days after the public hearing is scheduled.**

(e) If a public hearing is scheduled under subsection (d), the participant may examine and make copies of all evidence in the PERF board's possession relating to the possible forfeiture of all or a portion of the participant's annual retirement allowance.

(f) At a public hearing under subsection (d), the participant is entitled to appropriate due process protection consistent with IC 4-21.5, including the following:

(1) The right to be represented, at the participant's expense, by counsel.

(2) The right to call and examine witnesses.

(3) The right to introduce exhibits.

(4) The right to cross-examine opposing witnesses.".

Page 1, line 17, delete "(d)" and insert "**(g)**".

Page 2, line 2, delete "(c):" and insert "**(d):**".

Page 2, line 26, delete "(e) The" and insert "**(h) After the public hearing under subsection (d), the PERF board shall state its findings of fact. If the PERF board, based on clear and convincing evidence, finds by a majority vote that forfeiture of all or a portion of the participant's annual retirement allowance is appropriate, the**".

Page 2, line 26, after "a" insert "**written**".

Page 2, line 26, after "determination" insert "**that includes the PERF board's findings of fact**".

Page 2, line 27, after "the" insert "**public**".

Page 2, line 27, delete "(c)" and insert "**(d)**".

Page 2, line 29, delete "(f)" and insert "**(i)**".

Page 2, line 29, delete "(c)" and insert "**(d)**".

Page 2, line 35, delete "(g)" and insert "**(j)**".

Page 2, line 35, delete "(c)" and insert "**(d)**".

Page 2, line 42, delete "(h)" and insert "**(k)**".

Page 3, line 1, delete "(g)" and insert "**(j)**".

Page 3, between lines 7 and 8, begin a new paragraph and insert:

"**(l) A participant for whom the PERF board has determined under this section that forfeiture of all or a portion of the participant's annual retirement allowance is appropriate may request that the PERF board reconsider its determination by filing a written request with the PERF board not later than fifteen (15) days after the date the PERF board issues its determination. The written request must state concisely the reasons that the participant believes that the forfeiture is erroneous. After the PERF board receives the written request, the PERF board shall set the matter for a hearing. At the hearing, the participant is entitled to appropriate due process protection consistent with IC 4-21.5, including the right to be represented, at the participant's expense, by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses. The PERF board shall rule on the request for reconsideration not later than thirty (30) days after the date of the hearing. The PERF board shall issue its ruling in writing and may:**

(1) affirm its determination that the forfeiture is appropriate;

(2) modify its determination by reducing or increasing the amount of the forfeiture; or

(3) vacate its determination that forfeiture is appropriate.".

Page 3, line 8, delete "(i)" and insert "**(m)**".

Page 3, delete lines 18 through 25, begin a new paragraph and insert:

"**(n) If the inspector general certifies a report to the attorney general under IC 4-2-7-6 or to a prosecuting attorney under IC 4-2-7-7, concerning an individual whom the inspector general knows, or has reason to believe, is a participant in the state excise police and conservation enforcement officers' retirement fund, the inspector general shall:**

(1) deliver a copy of the report to the PERF board; and

(2) provide any information requested by the PERF board to enable the PERF board to make the determination required by this section.

(o) A participant for whom forfeiture of all of the participant's annual retirement allowance is determined appropriate is entitled to the return of the participant's contributions to the fund with interest. ".

Page 3, delete lines 26 through 39, begin a new paragraph and insert:

"**(p) The PERF board's evidence relating to an investigation under subsection (d) is confidential until the earlier of:**

(1) the time the participant is notified of the PERF board's public hearing under subsection (d); or

(2) the time the participant elects to have the records made public.".

Page 3, line 40, delete "IC 5-14-3-4(b)(21).", begin a new paragraph and insert:

"**(q)**".

Page 3, delete line 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 8, begin a new paragraph and insert:

"SECTION 2. IC 5-10.3-8-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 14. (a) This section does not apply to a member of the fund who is an employee of the following:**

(1) The judicial department of state government.

(2) The legislative department of state government.

(b) This section does not apply to a member's annuity savings account (as described in IC 5-10.2-2-3).

(c) Notwithstanding any other provision of Indiana law, a member of the fund is required to render honorable service as a condition for receiving a retirement benefit under this article.

(d) If a member:

(1) is charged with a criminal offense that is:

(A) a felony related to the member's service as a public officer or public employee; or

(B) a misdemeanor involving an act that has resulted in a financial loss to the state or in an unlawful benefit to an individual in the conduct of state business; or

(2) is the subject of an inspector general's report certified to:

(A) the attorney general under IC 4-2-7-6; or

(B) a prosecuting attorney under IC 4-2-7-7;

the board shall take the actions described in subsection (e).

(e) Whenever the board receives the charges or a certified report under subsection (d), the board may begin an investigation. If, after conducting an investigation, the board decides, by a majority vote, to conduct further proceedings to determine whether:

(1) the member's conduct constitutes a breach of the condition that the member's service be honorable; and

(2) forfeiture of all or a portion of the member's retirement benefit is appropriate;

the board shall schedule a public hearing on the matter not later than sixty (60) days after the criminal prosecution is completed. The board shall notify the member not later than five (5) days after the public hearing is scheduled.

(f) If a public hearing is scheduled under subsection (e), the member may examine and make copies of all evidence in the board's possession relating to the possible forfeiture of all or a portion of the member's retirement benefit.

(g) At the public hearing under subsection (e), the member is entitled to appropriate due process protection consistent with IC 4-21.5, including the following:

(1) The right to be represented, at the member's expense, by counsel.

(2) The right to call and examine witnesses.

(3) The right to introduce exhibits.

(4) The right to cross-examine opposing witnesses.

(h) The board shall consider and balance the following factors against the goals of the public pension laws in making a determination under subsection (e):

(1) The member's length of service.

(2) The reason for the member's retirement.

(3) The extent to which the member's benefit has vested.

(4) The member's duties.

(5) The member's history of public service, including the public service covered by the fund and other public employment or service completed by the member.

(6) The nature of the misconduct, including the following:

(A) The seriousness of the misconduct.

(B) Whether the misconduct was a single offense or multiple offenses.

(C) Whether the misconduct was an isolated, one (1) time occurrence or a continuing event.

(7) The relationship between the misconduct and the member's public service.

(8) The degree of the member's moral turpitude, guilt, or culpability, including the member's motives for and personal gain from the misconduct.

(9) The availability and adequacy of other punishment or sanctions for the misconduct, including criminal prosecution.

(10) Other personal circumstances of the member that bear on the justness of forfeiture.

(i) After the public hearing under subsection (e), the board shall state its findings of fact. If the board, based on clear and convincing evidence, finds by a majority vote that forfeiture of

all or a portion of the member's retirement benefit is appropriate, the board shall issue a written determination that includes the board's findings of fact not later than thirty (30) days after the hearing under subsection (e) and provide a copy to the member.

(j) If the board determines under subsection (e) that the forfeiture of all or a portion of the member's retirement benefit is appropriate, the board shall also determine whether forfeiture of all or a portion of the benefits to which a surviving spouse, dependent, or beneficiary of the member would otherwise be entitled under this article is appropriate.

(k) If the board determines under subsection (e) that a partial forfeiture of the member's retirement benefit is warranted, the board shall calculate the member's retirement benefit as if the member had retired or withdrawn from the fund on the date that the member's misconduct first occurred.

(l) If the calculation of the member's retirement benefit under subsection (k) would result in an excessive retirement benefit or an excessive forfeiture, given the nature and extent of the member's misconduct, the board may select a date that is reasonably calculated to impose a forfeiture that reflects both the nature and extent of:

(1) the member's misconduct; and

(2) the member's honorable service.

(m) A member for whom the board has determined that forfeiture of all or a portion of the member's retirement benefit is appropriate may request that the board reconsider its determination by filing a written request with the board not later than fifteen (15) days after the date the board issues its determination. The written request must state concisely the reasons that the member believes that the forfeiture is erroneous. After the board receives the written request, the board shall set the matter for a hearing. At the hearing, the member is entitled to appropriate due process protection consistent with IC 4-21.5, including the right to be represented, at the member's expense, by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses. The board shall rule on the request for reconsideration not later than thirty (30) days after the date of the hearing. The board shall issue its ruling in writing and may:

(1) affirm its determination that the forfeiture is appropriate;

(2) modify its determination by reducing or increasing the amount of the forfeiture; or

(3) vacate its determination that forfeiture is appropriate.

(n) If a prosecuting attorney undertakes the prosecution of or obtains a criminal conviction against an individual whom the prosecuting attorney knows, or has reason to believe, is a member of the fund, the prosecuting attorney shall:

(1) notify the board in writing of the prosecution or conviction; and

(2) provide any information requested by the board to enable the board to make the determination required by this section.

(o) If the inspector general certifies a report to the attorney general under IC 4-2-7-6 or to a prosecuting attorney under IC 4-2-7-7, concerning an individual whom the inspector general knows, or has reason to believe, is a member of the public employees' retirement fund not excluded from this section by subsection (a), the inspector general shall:

(1) deliver a copy of the report to the board; and

(2) provide any information requested by the board to enable the board to make the determination required by this section.

(p) The board's evidence relating to an investigation under subsection (e) is confidential until the earlier of:

(1) the time the member is notified of the board's hearing under subsection (e); or

(2) the time the member elects to have the records made public.

(q) The board's final determination under this section is available for inspection and copying under IC 5-14-3.".

Page 6, after line 42, begin a new line block indented and insert:

"**(12) Records containing information about whether:**

(A) the misconduct of a public pension fund member or participant constitutes a breach of the condition that the fund member's or participant's service be honorable; and

(B) forfeiture of all or a portion of the fund member's or participant's retirement benefit, allowance, or pension is appropriate;

until the fund member or participant is notified of a public hearing on the matter, or the fund member or participant elects to have the records made public. A final determination by the administrator of the public pension fund is available for inspection and copying.".

Page 8, line 13, strike "information concerning".

Page 8, line 13, reset in italic "the factual basis for".

Page 8, line 14, strike "actions".

Page 8, line 14, reset in italic "action".

Page 8, line 15, strike "disciplined".

Page 8, line 15, reset in italic "suspended,".

Page 8, line 16, reset in italic "demoted,".

Page 10, delete lines 33 through 41.

Page 11, line 18, delete "beneficiary commits misconduct while in the" and insert "**beneficiary:**

(1) is charged with a criminal offense that is:

(A) a felony related to the employee beneficiary's service as a public officer or public employee; or

(B) a misdemeanor involving an act that has resulted in a financial loss to the state or in an unlawful benefit to an individual in the conduct of state business; or

(2) is the subject of an inspector general's report certified to:

(A) the attorney general under IC 4-2-7-6; or

(B) a prosecuting attorney under IC 4-2-7-7;".

Page 11, line 19, delete "active service of the department,".

Page 11, line 19, begin a new line blocked left beginning with "the department shall".

Page 11, line 19, delete "conduct a".

Page 11, line 20, delete "hearing" and insert "**take the actions described in subsection (c).**

(c) When the department receives the charges or a certified report under subsection (b), the department may begin an investigation. If, after conducting an investigation, the

department decides to conduct further proceedings".

Page 11, line 21, delete "misconduct" and insert "**employee beneficiary's conduct**".

Page 11, line 24, delete "appropriate." and insert "**appropriate; the department shall schedule a public hearing on the matter not later than sixty (60) days after the criminal prosecution is completed. The department shall notify the employee beneficiary not later than five (5) days after the public hearing is scheduled.**

(d) If a public hearing is scheduled under subsection (c), the employee beneficiary may examine and make copies of all evidence in the department's possession relating to the possible forfeiture of all or a portion of the employee beneficiary's monthly pension amount.

(e) At the public hearing under subsection (c), the employee beneficiary is entitled to appropriate due process protection consistent with IC 4-21.5, including the following:

(1) The right to be represented, at the employee beneficiary's expense, by counsel.

(2) The right to call and examine witnesses.

(3) The right to introduce exhibits.

(4) The right to cross-examine opposing witnesses.".

Page 11, line 25, delete "(c)" and insert "**(f)**".

Page 11, line 27, delete "(b):" and insert "**(c):**".

Page 12, line 10, delete "(d) The" and insert "**(g) After the hearing, the department shall state its findings of fact. If the department, based on clear and convincing evidence, finds that forfeiture of all or a portion of the employee beneficiary's monthly pension amount is appropriate, the**".

Page 12, line 10, after "a" insert "**written**".

Page 12, line 10, after "determination" insert "**that includes the department's findings of fact**".

Page 12, line 11, after "the" insert "**public**".

Page 12, line 11, delete "(b)" and insert "**(c)**".

Page 12, line 13, delete "(e)" and insert "**(h)**".

Page 12, line 13, delete "(b)" and insert "**(c)**".

Page 12, line 19, delete "(f)" and insert "**(i)**".

Page 12, line 19, delete "(b)" and insert "**(c)**".

Page 12, line 26, delete "(g)" and insert "**(j)**".

Page 12, line 27, delete "(f)" and insert "**(i)**".

Page 12, between lines 33 and 34, begin a new paragraph and insert:

"**(k) An employee beneficiary for whom the department has determined that forfeiture of all or a portion of the employee beneficiary's monthly pension amount is appropriate may request that the department reconsider its determination by filing a written request with the department not later than fifteen (15) days after the date the department issues its determination. The written request must state concisely the reasons that the employee beneficiary believes that the forfeiture is erroneous. After the department receives the written request, the department shall set the matter for a hearing. At the hearing, the employee beneficiary is entitled to appropriate due process protection consistent with IC 4-21.5, including the right to be represented, at the employee beneficiary's expense, by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses. The department shall rule on the request for reconsideration not later than thirty (30) days after the date of the hearing. The department may:**

(1) affirm its determination that the forfeiture is appropriate;

(2) modify its determination by reducing or increasing the amount of the forfeiture; or

(3) vacate its determination that forfeiture is appropriate.".

Page 12, line 34, delete "(h)" and insert "**(l)**".

Page 12, after line 42, begin a new paragraph and insert:

"**(m) If the inspector general certifies a report to the attorney general under IC 4-2-7-6 or to a prosecuting attorney under IC 4-2-7-7, concerning an individual whom the inspector general knows, or has reason to believe, is an employee beneficiary of the pension trust, the inspector general shall:**

(1) deliver a copy of the report to the department; and

(2) provide any information requested by the department to enable the department to make the determination required by this section.

(n) An employee beneficiary for whom forfeiture of all of the employee beneficiary's monthly pension benefit is determined appropriate is entitled to the return of the employee beneficiary's contributions to the trust fund with interest.".

Page 13, delete lines 1 through 16, begin a new paragraph and insert:

"**(o) The department's evidence relating to an investigation under subsection (c) is confidential until the earlier of:**

(1) the time the employee beneficiary is notified of the department's public hearing under subsection (c); or

(2) the time the employee beneficiary elects to have the records made public.".

Page 13, line 17, delete "IC 5-14-3-4(b)(21).", begin a new paragraph and insert:

"**(p)**".

Page 13, delete lines 19 through 42.

Delete pages 14 through 31.

Page 32, delete lines 1 through 11.

Page 32, line 13, delete "IC 5-10.2-4-11," and insert "**IC 5-10.3-8-14, and**".

Page 32, line 13, delete "IC 33-38-6-28, IC 33-39-7-26,".

Page 32, delete line 14.

Page 32, line 15, delete IC 36-8-10-12.3,".

Page 32, line 15, after "IC 5-14-3-4" insert "**,**".

Page 32, line 15, delete "and".

Page 32, line 16, delete "IC 36-8-8-12.7, both".

Renumber all SECTIONS consecutively.

(Reference is to SB 423 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 4.

HARRISON, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Transportation, to which was referred Senate Bill 487, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as

follows:

Page 3, line 14, delete "located," and insert "**located;**".

Page 3, delete lines 15 through 17.

Page 5, line 25, delete "located," and insert "**located.**".

Page 5, delete lines 26 through 28.

(Reference is to SB 487 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

SERVER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill 259, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 10, line 29, delete "13)" and insert "**(13)**".

Page 12, line 19, delete "and".

Page 12, line 21, after ";" insert "**and**".

Page 12, between lines 21 and 22, begin a new line block indented and insert:

"**(4) is published in the Indiana Register and the Indiana Administrative Code before July 1, 2007, under the authority of SEA 259-2005 or otherwise;**".

Page 31, line 40, delete "Subject to subsection (d) and not" and insert "**Not**".

Page 32, line 10, delete "and".

Page 32, line 11, after ";" insert "**and**".

Page 32, between lines 11 and 12, begin a new line block indented and insert:

"**(4) has not been published:**

(A) as a final rule in the Indiana Register; or

(B) in the Indiana Administrative Code or a supplement to the Indiana Administrative Code;

before July 1, 2005;".

Page 32, line 12, delete "attorney general for review under subsection (e)." and insert "**publisher for the assignment of a document control number.**".

Page 32, line 14, delete "attorney".

Page 32, line 15, delete "general" and insert "**publisher**".

Page 32, line 16, delete "attorney general" and insert "**publisher**".

Page 32, between lines 19 and 20, begin a new paragraph and insert:

"**(d) After a document control number has been assigned to the rule under subsection (c), the instrumentality of state government shall submit the rule to the secretary of state for filing. A rule submitted under this subsection is exempt from the requirements established by the publisher under IC 4-22-2-42. The secretary of state shall determine the number of copies of the rule to be submitted to the secretary of state under this subsection. If a rule submitted under this subsection incorporates matters described in IC 4-22-2-21(a), the instrumentality may incorporate the matters into the rule by reference, as allowed under IC 4-22-2-21. The secretary of state shall accept a rule for filing under subsection (e) if the instrumentality of state government submits the number of copies required by the secretary of state under this subsection and each copy of the rule includes:**

(1) a reference to the document control number assigned to the rule by the publisher under subsection (c); and

(2) a statement that the instrumentality of state government submits the rule under the authority of SEA 259-2005.

(e) Notwithstanding IC 4-22-2-39(a)(3), the secretary of state shall:

(1) accept a rule submitted under subsection (d) for filing if the rule complies with subsection (d)(1) through (d)(2); and

(2) file stamp and indicate the date and time the rule is accepted on every duplicate copy submitted.

The secretary of state shall comply with IC 4-22-7-5 upon accepting a rule for filing under this subsection. However, notwithstanding IC 4-22-2-7(d)(2), the secretary of state shall distribute two (2) duplicate copies of the rule to the attorney general not later than one (1) business day after the date the secretary of state accepts a rule for filing under this subsection.".

Page 32, delete lines 20 through 35.

Page 32, line 36, delete "(e)" and insert "**(f)**".

Page 32, line 36, delete "under subsection (c) and the".

Page 32, line 37, delete "accompanying documentation required under subsection (d)," and insert "**from the secretary of state under subsection (e),**".

Page 32, line 38, delete "shall" and insert "**may**".

Page 32, line 39, delete "shall approve or" and insert "**may**".

Page 32, line 40, delete "that is timely submitted under subsection (c)" and insert "**reviewed under this subsection**".

Page 32, line 40, delete "notify" and insert "**send notice, by certified mail, of the attorney general's determination to the secretary of state, the publisher, and the instrumentality of state government.**".

Page 32, delete lines 41 through 42.

Page 33, line 1, before "the" insert "**Subject to subsection (g),**".

Page 33, line 1, delete "shall" and insert "**may**".

Page 33, line 12, delete "(f)" and insert "**(g)**".

Page 33, line 12, after "of" delete "the" and insert "**a**".

Page 33, line 12, delete "(e)," and insert "**(f),**".

Page 33, line 14, delete "(e)(4)," and insert "**(f)(4),**".

Page 33, between lines 18 and 19, begin a new paragraph and insert:

"**(h) A rule disapproved by the attorney general under subsection (f) is invalid and does not have the effect of law until:**

(1) the rule is adopted in conformity with IC 4-22-2; and

(2) any defect described in subsection (f)(1) through (f)(4) is remedied.

(i) If the attorney general does not issue a notice of disapproval under subsection (f) before April 2, 2006, a rule submitted by an instrumentality of state government under subsection (c) is considered approved, and the publisher may proceed to publish the rule under subsection (j).

(j) After April 1, 2006, and in any case not later than June 30, 2007, the publisher shall publish in the Indiana Register a rule:

(1) that is distributed to the publisher by the secretary of state under IC 4-22-7-5(b);

(2) that contains a statement described in subsection (d)(2); and

(3) for which the publisher has not received a notice of disapproval from the attorney general under subsection (f);

subject to the publisher's then existing deadline for the submission of a rule for publication.".

Page 33, delete lines 19 through 42.

Page 34, delete lines 1 through 28.

Page 34, line 29, before "publishing" begin a new paragraph and insert:

"**(k) In**".

Page 34, line 29, delete "this subsection," and insert "**subsection (j),**".

Page 34, line 35, delete "(k)," and insert "**(l),**".

Page 34, line 38, delete "its" and insert "**the rule's**".

Page 34, line 39, delete "(k)" and insert "**(l)**".

Page 34, line 39, delete "(j)(2)" and insert "**(k)(2)**".

Page 34, line 42, delete "(j)(2)," and insert "**(k)(2),**".

Page 35, line 6, delete "(c) or" and insert "**(c); and**".

Page 35, delete line 7.

Page 35, line 12, delete "(l)" and insert "**(m)**".

Page 35, line 17, delete "(m)" and insert "**(n)**".

Page 35, line 20, delete "filed with the attorney".

Page 35, line 21, delete "general" and insert "**submitted to the publisher**".

Page 34, line 23, delete "sent to the" and insert "**issued by the attorney general**".

Page 34, line 24, delete "instrumentality of state government".

Page 34, line 24, delete "(e) or" and insert "**(f), if the rule is submitted to the publisher**".

Page 34, line 25, delete "(g), if the rule is sent to the attorney general".

Page 34, line 27, delete "(e) or (g)." and insert "**(f).**".

Page 34, line 28, delete "(n)" and insert "**(o)**".

Page 34, line 35, delete "(o)" and insert "**(p)**".

Page 34, line 35, delete "December 31, 2006." and insert "**July 1, 2007.**"

(Reference is to SB 259 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

RIEGSECKER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill 638, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, between lines 4 and 5, begin a new paragraph and insert:

"**Sec. 1. This chapter does not apply to a township in a county containing a consolidated city.**".

Page 1, line 5, delete "1." and insert "**2.**".

Page 1, line 8, delete "2." and insert "**3.**".

Page 1, line 11, delete "3." and insert "**4.**".

Page 2, delete lines 3 through 8, begin a new paragraph and insert:

"**Sec. 5. (a) The township trustees, with the approval of a majority of the members of the township legislative body of each township that wants to merge township governments under this chapter must comply with this section.**

(b) The township trustees must present identical resolutions approving the township government merger to the trustees' respective township legislative bodies. A township legislative body may adopt a resolution under this chapter only after the legislative body has held a public hearing concerning the proposed merger. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1.

(c) The township legislative bodies may adopt the identical resolutions approving the township government merger under this chapter not later than ninety (90) days after the legislative body has held the public hearing under subsection (b). The townships shall submit the resolutions to the county legislative body of the county within which the townships are located.".

Page 2, line 9, delete "(b)" and insert "**(d)**".

Page 2, line 15, delete "(c)" and insert ""**(e)**".

Page 2, line 19, delete "(d)" and insert "**(f)**".

Page 2, line 22, delete "(e)" and insert "**(g)**".

Page 2, line 24, delete "5." and insert "**6.**".

Page 2, line 25, after "qualified." insert "**An officer elected to represent the merged township government shall be considered to be a resident of the territory comprising the new township government unless the township merger is dissolved under IC 36-6-1.6.**".

Page 2, line 26, delete "6." and insert "**7.**".

Page 2, line 31, delete "7." and insert "**8.**".

Page 3, line 12, delete "8." and insert "**9.**".

Page 3, line 41, delete "9." and insert "**10.**".

Page 4, line 13, delete "10." and insert "**11.**".

Page 4, line 30, delete "11." and insert "**12.**".

Page 5, between lines 12 and 13, begin a new paragraph and insert:

"**Sec. 3. (a) Freeholders may initiate proceedings to reestablish a township government by filing a petition in the office of the county auditor of the county where the freeholder's land is located. The petition must be signed by the lesser of:**

(1) at least ten percent (10%) of; or

(2) at least fifty (50);

freeholders owning land within the proposed reestablished township. A petition may also be filed with the county auditor by a merged township government under a resolution adopted by the legislative body of the township government.".

Page 5, line 13, delete "Sec. 3. (a)" and insert "**(b)**".

Page 5, line 19, delete "(b)" and insert "**(c)**".

(Reference is to SB 638 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 2.

RIEGSECKER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred Senate Bill 296, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 1-1-3.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The governor shall forward a copy of the executive order issued under section 3 of this chapter to:

(1) the director of the Indiana state library;

(2) the election division; and

(3) the Indiana Register.

(b) The director of the Indiana state library, or an employee of the Indiana state library designated by the director to supervise a state data center established under IC 4-23-7.1, shall notify each state agency using population counts as a basis for the distribution of funds or services of the effective date of the tabulation of population or corrected population count.

(c) The agencies that the director of the Indiana state library must notify under subsection (b) include the following:

(1) The auditor of state, for distribution of money from the following:

(A) The cigarette tax fund in accordance with IC 6-7-1-30.1.

(B) Excise tax revenue allocated under IC 7.1-4-7-8.

(C) The local road and street account in accordance with IC 8-14-2-4.

(D) The repayment of loans from the Indiana University permanent endowment funds under IC 21-7-4.

(2) The board of trustees of Ivy Tech ~~State~~ **Community** College **of Indiana,** for the board's division of Indiana into service regions under IC 20-12-61-9.

(3) The department of commerce, for the distribution of money from the following:

(A) The rural development fund under IC 4-4-9.

(B) The growth investment program fund under IC 4-4-20.

(4) The division of disability, aging, and rehabilitative services, for establishing priorities for community residential facilities under IC 12-11-1.1 and IC 12-28-4-12.

(5) The department of state revenue, for distribution of money from the motor vehicle highway account fund under IC 8-14-1-3.

(6) The enterprise zone board, for the evaluation of enterprise zone applications under IC 4-4-6.1.

(7) The alcohol and tobacco commission, for the issuance of permits under IC 7.1.

(8) The Indiana library and historical board, for distribution of money to eligible public library districts under IC 4-23-7.1-29.

(9) The state board of accounts, for calculating the state share of salaries paid under IC 33-38-5, IC 33-39-6, and IC 33-41-2.

SECTION 2. IC 4-1.5-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The board is composed of the following twenty-three (23) members, none of whom may be members of the general assembly:

(1) Fifteen (15) persons appointed by the governor who must be employed in or retired from the private or nonprofit sector. The following apply to appointments under this subdivision:

(A) The governor shall consider the recommendation of the speaker of the house of representatives when making one (1) appointment.

(B) The governor shall consider the recommendation of the minority leader of the house of representatives when making one (1) appointment.

(C) The governor shall consider the recommendation of the president pro tempore of the senate when making one (1) appointment.

(D) The governor shall consider the recommendation of the minority leader of the senate when making one (1) appointment.

(2) The lieutenant governor.

(3) Seven (7) persons appointed by the governor who must be employed in or retired from the private or nonprofit sector or academia, on recommendation of the following:

(A) The president of Indiana University.

(B) The president of Purdue University.

(C) The president of Indiana State University.

(D) The president of Ball State University.

(E) The president of the University of Southern Indiana.

(F) The president of Ivy Tech ~~State~~ **Community** College **of Indiana.**

(G) The president of Vincennes University.

SECTION 3. IC 4-13-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. This chapter may not be construed to restrict the powers of the state board of accounts as prescribed by IC 5-11-1 or restrict the powers and functions of the state police department as prescribed by IC 10-11-2. This chapter, except IC 4-13-1-4(1) and IC 4-13-1-4(3), does not apply to the state universities and Ivy Tech ~~State~~ **Community** College **of Indiana.**

SECTION 4. IC 4-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Ivy Tech ~~State~~ **Community** College **of Indiana** may enter into such contracts as are necessary to provide equipment for a data processing school on or off the premises of Ivy Tech ~~State~~ **Community** College **of Indiana** or any of its regional institutes.

SECTION 5. IC 5-11-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section applies to the state and its political subdivisions. However, this section does not apply to the following:

(1) The state universities.

(2) Ivy Tech ~~State~~ **Community** College **of Indiana.**

(3) A municipality (as defined in IC 36-1-2-11).

(4) A county.

(5) An airport authority operating in a consolidated city.

(6) A capital improvements board of managers operating in a consolidated city.

(7) A board of directors of a public transportation corporation operating in a consolidated city.

(8) A municipal corporation organized under IC 16-22-8-6.

(9) A public library.

(10) A library services authority.

(11) A hospital organized under IC 16-22 or a hospital organized under IC 16-23.

(12) A school corporation (as defined in IC 36-1-2-17).

(13) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).

(14) A municipally owned utility (as defined in IC 8-1-2-1).

(15) A board of an airport authority under IC 8-22-3.

(16) A conservancy district.

(17) A board of aviation commissioners under IC 8-22-2.

(18) A public transportation corporation under IC 36-9-4.

(19) A commuter transportation district under IC 8-5-15.

(20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

(21) A county building authority under IC 36-9-13.

(22) A soil and water conservation district established under IC 14-32.

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

(c) The certificate provided for in subsection (b) is not required for:

(1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated by a governmental body;

(2) a warrant issued by the auditor of state under IC 4-13-2-7(b);

(3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or

(4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

(1) processed in accordance with this section; and

(2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

SECTION 6. IC 12-20-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If a ~~poor relief~~ **township assistance** recipient, after referral by the township trustee, is accepted and attends adult education courses under IC 20-10.1-7-1 or courses at Ivy Tech ~~State~~ **Community** College **of Indiana** established by IC 20-12-61, the ~~poor relief~~ **township assistance** recipient is exempt from performing work or searching for work for not more than one hundred eighty (180) days.

(b) The township trustee may reimburse a ~~poor relief~~ **township assistance** recipient for tuition expenses incurred in attending the courses described in subsection (a) if the recipient:

(1) has a proven aptitude for the courses being studied;

(2) was referred by the trustee;

(3) does not qualify for other tax supported educational programs;

(4) maintains a passing grade in each course; and

(5) maintains the minimum attendance requirements specified by the educational institution.

SECTION 7. IC 20-8.1-3-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. Within fifteen (15) school days after the beginning of each semester, the principal of every public high school shall send to the superintendent with jurisdiction over his school a list of names and last known addresses of all students not graduated and not enrolled in the then current semester who were otherwise eligible for enrollment. Each superintendent shall immediately make available all lists received under this section to an authorized representative of Ivy Tech ~~State~~ **Community** College **of Indiana** and an authorized representative of an agency whose purpose it is to enroll high school drop-outs in various training programs.

SECTION 8. IC 20-8.1-3-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. Each representative of Ivy Tech ~~State~~ **Community** College **of Indiana** or agency identified in section 25 of this chapter who is authorized to receive a list prepared under section 25 of this chapter shall stipulate in writing that the list will be used only for purposes of contacting prospective students or prospective trainees. If a list is used for any other purpose, the college or agency which the recipient represents shall be ineligible to receive subsequent lists for a period of five (5) years.

SECTION 9. IC 20-12-0.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The commission shall have no powers or authority relating to the management, operation, or financing of Ball State University, Indiana University, Indiana State University, Purdue University, Vincennes University, Ivy Tech ~~State~~ **Community** College **of Indiana,** the University of Southern Indiana, or any other state educational institution except as expressly set forth in this chapter. All of the particulars, management, operations, and financing of all state educational institutions shall remain exclusively vested in the trustees or other governing boards or bodies of these institutions.

SECTION 10. IC 20-12-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:

"Higher education institution" means Indiana University, Purdue University, Indiana State University, Vincennes University, Ball State University, University of Southern Indiana, and Ivy Tech ~~State~~ **Community** College **of Indiana.**

"Repair and rehabilitation project" means any project to repair, rehabilitate, remodel, renovate, reconstruct, or finish existing facilities or buildings; to improve, replace, or add utilities or fixed equipment; and to perform site improvement work, whereby the exterior dimensions of any existing facilities or buildings remain substantially unchanged.

SECTION 11. IC 20-12-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The trustees of Indiana University, the trustees of Purdue University, the Ball State University board of trustees, the Indiana State University board of trustees, the board of trustees for Vincennes University, the University of Southern Indiana board of trustees, and the trustees of Ivy Tech ~~State~~ **Community** College **of Indiana** (sometimes referred to in this chapter collectively as "corporations" or

respectively as "corporation") are respectively authorized, from time to time as they find the necessity exists, to acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, enlarge, equip, furnish, and operate:

(1) any buildings, structures, improvements, or facilities;

(2) any utilities, other services, and appurtenances related to an item described in subdivision (1) (including, but not limited to, facilities for the production and transmission of heat, light, water and power, sewage disposal facilities, streets and walks, and parking facilities); and

(3) the land required for items described in subdivision (1) or (2);

as the governing boards of the corporations from time to time deem necessary for carrying on the educational research, the public service programs, or the statutory responsibilities of the educational institutions and various divisions of the institutions under the jurisdiction of the corporations respectively, or for the management, operation, or servicing of the institutions, (the buildings, structures, improvements, facilities, utilities, services, appurtenances, and land being sometimes referred to in this chapter collectively as "building facilities" or respectively as "building facility"). The building facilities may be located at any place within Indiana at which the governing board of the corporation determines the need exists for the building facilities.

SECTION 12. IC 20-12-9.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "corporation" means the trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana board of trustees, the Ball State University board of trustees, the Indiana State University board of trustees, the board of trustees for Vincennes University, or the trustees of Ivy Tech ~~State~~ **Community** College **of Indiana.**

SECTION 13. IC 20-12-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana board of trustees, Ball State University board of trustees, Indiana State University board of trustees, the board of trustees of Vincennes University, the board of trustees of Ivy Tech ~~State~~ **Community** College **of Indiana,** and the board of directors of the independent colleges and universities of Indiana (referred to collectively in this chapter as the universities) are authorized, if they find the need exists for a broad dissemination of a wide variety of educational communications for the improvements and the advancement of higher educational opportunity, to jointly arrange from time to time, for a period not exceeding ten (10) years, for intelenet services under IC 5-21 and for the use of a multipurpose, multimedia, closed circuit, statewide telecommunications system furnished by communications common carriers subject to the jurisdiction of the utility regulatory commission to interconnect the main campuses and the regional campuses of the universities and centers of medical education and service.

(b) In addition to the closed circuit statewide telecommunications system described in subsection (a), the universities shall establish, in accordance with federal copyright law, a videotape program to provide for the advancement of higher education opportunity and individualized access to higher education programs. As part of the program, the universities may make available a wide variety of higher education courses in videotape form. The universities shall make the videotapes available to the public by any means of public or private distribution that they determine to be appropriate, including sale or lease. The universities may determine policy and establish procedures in order to administer this program. The universities shall maintain and keep current a listing of all videotapes.

(c) The transmission system shall be for the exclusive use of the universities. However, the universities may permit the use of the transmission system, or any portion of the transmission system, by others under section 4 of this chapter.

SECTION 14. IC 20-12-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter:

(1) "Academic year" means the period from September 1 of a year through August 31 of the next succeeding year.

(2) "Approved institution of higher learning" means the following:

(A) An educational institution that operates in the state and:

(i) provides an organized two (2) year or longer program of collegiate grade directly creditable toward a baccalaureate degree;

(ii) is either operated by the state or operated not-for-profit; and

(iii) is accredited by a recognized regional accrediting agency or by the commission on proprietary education.

(B) Ivy Tech ~~State~~ **Community** College **of Indiana.**

(C) A hospital which operates a nursing diploma program which is accredited by the Indiana state board of nursing.

(D) A postsecondary proprietary educational institution that meets the following requirements:

(i) Is incorporated in Indiana, or is registered as a foreign corporation doing business in Indiana.

(ii) Is fully accredited by and is in good standing with the commission on proprietary education.

(iii) Is accredited by and is in good standing with a regional or national accrediting agency.

(iv) Offers a course of study that is at least eighteen (18) consecutive months in duration (or an equivalent to be determined by the commission on proprietary education) and that leads to an associate or a baccalaureate degree recognized by the commission on proprietary education.

(v) Is certified to the commission by the commission on proprietary education as meeting the requirements of this clause.

(3) "Approved secondary school" means a public high school located in the state and any school, located in or outside the state, that in the judgment of the superintendent provides a course of instruction at the secondary level and maintains standards of instruction substantially equivalent to those of public high schools located in the state.

(4) "Caretaker relative" means a relative by blood or law who lives with a minor and exercises parental responsibility, care, and control over the minor in the absence of the minor's parent.

(5) "Commission" means the state student assistance commission established by this chapter.

(6) "Commission on proprietary education" refers to the

Indiana commission on proprietary education established under IC 20-1-19-2.

(7) "Educational costs" means tuition and regularly assessed fees.

(8) "Enrollment" means the establishment and maintenance of an individual's status as an undergraduate student in an institution of higher learning.

(9) "Higher education award" means a monetary award.

(10) "Postsecondary proprietary educational institution" has the meaning set forth in IC 20-1-19-1.

(11) "Superintendent" means the state superintendent of public instruction.

SECTION 15. IC 20-12-21-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) A student who:

(1) participates in:

(A) a nursing diploma program which is accredited by the Indiana state board of nursing and operated by a hospital;

(B) a technical certificate or associate degree program at Ivy Tech ~~State~~ **Community** College **of Indiana;** or

(C) an associate degree program at a postsecondary proprietary educational institution that meets the requirements of section 3(2)(D) of this chapter; and

(2) meets the requirements of section 6 of this chapter, except the requirement of satisfactory progress toward a first baccalaureate degree set forth in section 6(a)(5) of this chapter;

is eligible to receive a state higher education award under this chapter. However, such a student must make satisfactory progress toward obtaining the diploma, technical certificate, or associate degree to remain eligible for the award.

(b) The maximum amount of a grant that may be offered to an eligible student in a program at an institution of higher learning described in section 3(2)(D) of this chapter is equal to the maximum amount of an award the student could receive under this chapter if the student were enrolled at Ivy Tech ~~State~~ **Community** College **of Indiana.**".

Page 2, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 17. IC 20-12-61-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. As used in this chapter, "Ivy Tech" refers to Ivy Tech ~~State~~ **Community** College **of Indiana.**".

Page 2, line 12, strike "State" and insert "**Community**".

Page 2, line 12, after "College" insert "**of Indiana**".

Page 2, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 18. IC 20-12-61-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Said educational institution shall be called "Ivy Tech ~~State~~ **Community** College **of Indiana**", but authority is hereby given to its governing board of trustees, as hereinafter described, to change the name of the institution, with the approval of the governor of the state of Indiana.

SECTION 19. IC 20-12-61-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The state board is a body corporate and politic and shall be known by the name of "The Trustees of Ivy Tech ~~State~~ **Community** College **of Indiana**", except when the name is altered, as provided in this chapter. In the corporate name and capacity the state board may sue and be sued, plead and be impleaded, in any court of record, and by that name shall have perpetual succession.

(b) The state board has responsibility for the management and policies of Ivy Tech and its regional institutes within the framework of laws enacted by the general assembly. The state board shall select and employ a president of the institution, with qualifications set out, and other staff and professional employees as are required.".

Page 4, line 3, after "provide" insert "**postsecondary general, liberal arts, and**".

Page 5, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 21. IC 20-12-65-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this chapter, "enabling statute" means the following:

(1) In the case of the Ball State University board of trustees, one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.
IC 20-12-7.
IC 20-12-8.
IC 20-12-9.
IC 20-12-14.

(2) In the case of the trustees of Indiana University, one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.
IC 20-12-7.
IC 20-12-8.
IC 20-12-9.
IC 20-12-14.

(3) In the case of the Indiana State University board of trustees, one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.
IC 20-12-7.
IC 20-12-8.
IC 20-12-9.
IC 20-12-14.

(4) In the case of the trustees of Ivy Tech ~~State~~ **Community** College **of Indiana,** one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.

(5) In the case of the trustees of Purdue University, one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.
IC 20-12-7.
IC 20-12-8.
IC 20-12-9.
IC 20-12-14.

(6) In the case of the board of trustees for Vincennes University, one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.
IC 23-13-18.

(7) In the case of the University of Southern Indiana board of trustees, one (1) or more of the following:

IC 20-12-5.5.
IC 20-12-6.
IC 20-12-7.
IC 20-12-9.

(b) As used in this chapter, "qualified institution" means any of the following:

(1) Ball State University board of trustees.
(2) Trustees of Indiana University.
(3) Indiana State University board of trustees.
(4) Trustees of Ivy Tech ~~State~~ **Community** College **of Indiana.**
(5) Trustees of Purdue University.
(6) Board of trustees for Vincennes University.
(7) University of Southern Indiana board of trustees.

SECTION 22. IC 20-12-70-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Money in the fund shall be used to provide annual tuition scholarships to scholarship applicants who qualify under section 11(a) of this chapter in an amount that is equal to the lowest of the following amounts:

(1) If the scholarship applicant attends a state educational institution (as defined in IC 20-12-0.5-1) that satisfies the requirements of subsection (c) and:
(A) receives no other financial assistance specifically designated for tuition and other regularly assessed fees, a full tuition scholarship to the state educational institution; or
(B) receives other financial assistance specifically designated for tuition and other regularly assessed fees, the balance required to attend the state educational institution not to exceed the amount described in clause (A).
(2) If the scholarship applicant attends a private institution of higher education (as defined in IC 20-12-63-3) that satisfies the requirements of subsection (c) and:
(A) receives no other financial assistance specifically designated for tuition and other regularly assessed fees, an average of the full tuition scholarship amounts of all state educational institutions not including Ivy Tech ~~State~~ **Community** College **of Indiana;** or
(B) receives other financial assistance specifically designated for tuition and other regularly assessed fees, the balance required to attend the college or university not to exceed the amount described in clause (A).
(3) If the scholarship applicant attends a postsecondary proprietary educational institution (as defined in IC 20-1-19-1) that satisfies the requirements of subsection (c) and:
(A) receives no other financial assistance specifically designated for tuition and other regularly assessed fees, the lesser of:
(i) the full tuition scholarship amounts of Ivy Tech ~~State~~ **Community** College **of Indiana;** or
(ii) the actual tuition and regularly assessed fees of the institution; or
(B) receives other financial assistance specifically designated for tuition and other regularly assessed fees, the balance required to attend the institution not to exceed the amount described in clause (A).

(b) Each tuition scholarship awarded under this chapter is renewable under section 11(b) of this chapter for a total scholarship award that does not exceed the equivalent of eight (8) semesters.

(c) An institution of higher learning attended by an applicant described in subsection (a) must satisfy the following requirements:
(1) Be accredited by an agency that is recognized by the Secretary of the United States Department of Education.
(2) Operate an organized program of postsecondary education leading to an associate or a baccalaureate degree on a campus located in Indiana.
(3) Be approved by the commission:
(A) under rules adopted under IC 4-22-2; and
(B) in consultation with the commission on proprietary education, if appropriate.".

Page 5, line 27, delete "State" and insert "**Community**".
Page 5, line 27, after "College" insert "**of Indiana**".
Page 5, line 29, delete "State" and insert "**Community**".
Page 5, line 29, after "College" insert "**of Indiana**".
Page 5, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 24. IC 22-4-18-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The department shall develop a uniform system for assessing workforce skills strengths and weaknesses in individuals.

(b) The uniform assessment system shall be used at the following:
(1) Workforce development centers under IC 22-4-42 if established.
(2) Ivy Tech ~~State~~ **Community** College **of Indiana** under IC 20-12-61.
(3) Vocational education (as defined in IC 20-1-18.3-5) programs at the secondary level.

SECTION 25. IC 22-4-42-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Ivy Tech ~~State~~ **Community** College **of Indiana** and secondary level technical education program providers shall offer the services described in section 2(1) through 2(4) of this chapter.".

Renumber all SECTIONS consecutively.
(Reference is to SB 296 as introduced.)
and when so amended that said bill do pass.
Committee Vote: Yeas 7, Nays 0.

LUBBERS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Transportation, to which was referred Senate Bill 348, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, strike lines 6 through 7, begin a new paragraph and insert:

"**(b) A landlord may remove and dispose of a tenant's personal property if any of the following apply:**
(1) The tenant fails to remove the tenant's personal property before the date specified in the court's order issued under subsection (a).

(2) Both of the following conditions exist:

(A) The rental agreement is terminated by operation of law or terms of the rental agreement.

(B) The tenant fails to remove the tenant's personal property on or before the date that the rental agreement terminates.

(3) All of the following conditions are met:

(A) The tenant:

(i) fails to pay rent to the landlord not later than fifteen (15) days after the rent is due under the rental agreement; and

(ii) does not reside in the dwelling unit for the fifteen (15) days that the tenant fails to pay rent under item (i).

(B) The landlord sends notice to the tenant at the dwelling unit by certified or registered mail that:

(i) the tenant has failed to pay rent within fifteen (15) days after the rent was due under the rental agreement; and

(ii) the landlord intends to remove the tenant's personal property if the tenant fails to respond to the landlord's notice within five (5) days after the tenant receives the notice under item (i) or fifteen (15) days after the landlord sends the notice.

(C) The tenant fails to respond to the landlord's notice under clause (B)(i) within:

(i) five (5) days after the tenant receives the notice; or

(ii) fifteen (15) days after the landlord sends the notice.".

Page 1, strike line 7.

Page 1, line 8, strike "landlord may remove".

Page 1, line 8, delete "and dispose of".

Page 1, line 8, strike "the tenant's personal property in".

Page 1, line 9, strike "accordance with the order.".

(Reference is to SB 348 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 11, Nays 0.

SERVER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill 607, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

RIEGSECKER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill 89, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

NUGENT, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill 219, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 5, delete ":".

Page 1, line 6, delete "(1)".

Page 1, run in lines 5 through 6.

Page 1, line 7, delete ";" and insert "**.**".

Page 1, delete lines 8 through 15.

Page 1, after line 17, begin a new paragraph and insert:

"SECTION 2. IC 35-47-2-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 3.5. (a) If an individual:**

(1) is applying for a renewal of an existing license; and

(2) at the time the original license was issued, provided one (1) set of legible and classifiable fingerprints that is on file;

the individual is not required to provide fingerprints for the renewal.

(b) An individual applying for a renewal of an existing license may apply by electronic service if the individual's fingerprints are available to the superintendent.".

(Reference is to SB 219 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

NUGENT, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill 267, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, strike line 8.

Page 2, line 9, strike "(2)" and insert "**(1)**".

Page 2, line 22, strike "(3)" and insert "**(2)**".

Renumber all SECTIONS consecutively.

(Reference is to SB 267 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 9, Nays 1.

NUGENT, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill 518, has had the same under consideration and begs leave to report the same back to

the Senate with the recommendation that said bill be amended as follows:

Page 1, delete lines 12 through 17.

Delete page 2.

Page 3, delete lines 1 through 5.

Page 3, line 10, delete "trees." and insert "**trees on private land.**".

Page 4, line 10, delete "if:" and insert "**if**".

Page 4, line 11, delete "(1)".

Page 4, line 12, delete "crop; or" and insert "**crop.**".

Page 4, run in lines 10 through 12.

Page 4, delete lines 13 through 14.

Page 4, line 37, delete "A unit must do the following before adopting an" and insert "**An ordinance of a unit of local government that:**

(1) makes a forestry operation (as defined in IC 32-30-6-1.5) a nuisance; or

(2) provides for an abatement of a forestry operation as a:

(A) nuisance;

(B) trespass; or

(C) zoning violation;

under this chapter is void.".

Page 4, delete lines 38 through 42.

Page 5, delete lines 1 through 4.

Renumber all SECTIONS consecutively.

(Reference is to SB 518 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

NUGENT, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Transportation, to which was referred Senate Concurrent Resolution 11, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.

Committee Vote: Yeas 10, Nays 0.

SERVER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Transportation, to which was referred Senate Concurrent Resolution 16, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.

Committee Vote: Yeas 9, Nays 0.

SERVER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill 527, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

NUGENT, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill 465, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

NUGENT, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill 310, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 15, after "in" insert "**final action taken at**".

Page 1, between lines 16 and 17, begin a new paragraph and insert:

"**(e) Subsection (d) does not apply to a governing body of a state educational institution (as defined in IC 20-12-0.5-1).**".

Page 2, between lines 10 and 11, begin a new line block indented and insert:

"**(3) All the gatherings concern the same subject matter and are held within a period of not more than seven (7) days.**".

Page 2, line 11, delete "(3)" and insert "**(4)**".

Page 2, line 13, delete "(4)" and insert "**(5)**".

(Reference is to SB 310 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

RIEGSECKER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Transportation, to which was referred Senate Bill 379, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 24-3-5-0.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 0.1. As used in this chapter, "cigarette" has the meaning set forth in IC 6-7-1-2.**

SECTION 2. IC 24-3-5-0.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 0.2. As used in this chapter,**

"cigarette manufacturer" means a person or an entity that does the following:

(1) Manufactures cigarettes.

(2) Does one (1) of the following:

(A) Participates in the Master Settlement Agreement (as defined in IC 24-3-3-6) and performs the person's or entity's financial obligations under the Master Settlement Agreement.

(B) Places the applicable amount into a qualified escrow fund (as defined in IC 24-3-3-7).

(3) Pays all applicable taxes under IC 6-7-1.".

Page 2, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 6. IC 24-3-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "merchant" means a person or an entity that engages in the selling of tobacco products by delivery sale. **The term does not include a cigarette manufacturer.**

SECTION 7. IC 24-3-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "tobacco product" has the meaning set forth in IC 7.1-6-1-3. **However, the term does not include a cigar.**".

Page 2, line 5, strike "merchant" and insert "**cigarette manufacturer**".

Page 2, line 6, strike "tobacco products" and insert "**cigarettes**".

Page 2, line 6, reset in roman "unless, before mailing".

Page 2, line 7, reset in roman "or shipping the".

Page 2, line 7, after "products," insert "**cigarettes,**".

Page 2, line 7, reset in roman "the".

Page 2, line 7, after "merchant:" insert "**cigarette manufacturer:**".

Page 2, reset in roman lines 8 through 16.

Page 2, line 17, reset in roman "(ii) purchasing".

Page 2, line 17, after "products" insert "**cigarettes**".

Page 2, line 17, reset in roman "by a person less than".

Page 2, reset in roman lines 18 through 19.

Page 2, line 20, reset in roman "(C) confirming that the".

Page 2, line 20, after "product" insert "**cigarette**".

Page 2, line 20, reset in roman "order was placed by".

Page 2, reset in roman lines 21 through 22.

Page 2, line 23, reset in roman "(E) stating the sale of".

Page 2, line 23, after "products" insert "**cigarettes**".

Page 2, line 23, reset in roman "by delivery sale is a".

Page 2, line 24, reset in roman "taxable event for purposes of IC 6-7-1".

Page 2, line 24, after "IC 6-7-1" insert ";".

Page 2, reset in roman lines 25 through 29.

Page 2, line 30, before "to" begin a new paragraph and insert:

"SECTION 9. IC 24-3-5-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 4.5. (a) A merchant may not mail or ship tobacco products as part of a delivery sale**".

Page 2, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 10. IC 24-3-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A ~~merchant~~ **cigarette manufacturer** who mails or ships ~~tobacco products~~ **cigarettes** as part of a delivery sale shall:

(1) use a mailing or shipping service that requires the customer or a person at least eighteen (18) years of age who is designated by the customer to:

(A) sign to accept delivery of the ~~tobacco products;~~ **cigarettes;** and

(B) present a valid operator's license issued under IC 9-24-3 or an identification card issued under IC 9-24-16 if the customer or the customer's designee, in the opinion of the delivery agent or employee of the mailing or shipping service, appears to be less than twenty-seven (27) years of age;

(2) provide to the mailing or shipping service used under subdivision (1) proof of compliance with section 6(a) of this chapter; and

(3) include the following statement in bold type or capital letters on an invoice or shipping document:

INDIANA LAW PROHIBITS THE MAILING OR SHIPPING OF ~~TOBACCO PRODUCTS~~ **CIGARETTES** TO A PERSON LESS THAN EIGHTEEN (18) YEARS OF AGE AND REQUIRES PAYMENT OF ALL APPLICABLE TAXES.

(b) The alcohol and tobacco commission may impose a civil penalty of not more than one thousand dollars ($1,000) if a mailing or shipping service:

(1) delivers ~~tobacco products~~ **cigarettes** as part of a delivery sale without first receiving proof from the ~~merchant~~ **cigarette manufacturer** of compliance with section 6(a) of this chapter; or

(2) fails to obtain a signature and proof of identification of the customer or the customer's designee under subsection (a)(1).

The alcohol and tobacco commission shall deposit amounts collected under this subsection into the youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

(c) The following apply to a ~~merchant~~ **cigarette manufacturer** that mails or ships ~~tobacco products~~ **cigarettes** as part of a delivery sale without using a third party service as required by subsection (a)(1):

(1) The ~~merchant~~ **cigarette manufacturer** shall require the customer or a person at least eighteen (18) years of age who is designated by the customer to:

(A) sign to accept delivery of the ~~tobacco products;~~ **cigarettes;** and

(B) present a valid operator's license issued under IC 9-24-3 or identification card issued under IC 9-24-16 if the customer or the customer's designee, in the opinion of the ~~merchant~~ **cigarette manufacturer** or the ~~merchant's~~ **cigarette manufacturer's** employee making the delivery, appears to be less than twenty-seven (27) years of age.

(2) The alcohol and tobacco commission may impose a civil penalty of not more than one thousand dollars ($1,000) if the ~~merchant:~~ **cigarette manufacturer:**

(A) delivers the ~~tobacco products~~ **cigarettes** without first complying with section 6(a) of this chapter; or

(B) fails to obtain a signature and proof of identification of the customer or the customer's designee under subdivision (1).

The alcohol and tobacco commission shall deposit amounts

collected under this subdivision into the youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

SECTION 11. IC 24-3-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A ~~merchant~~ **cigarette manufacturer** shall, before mailing or shipping ~~tobacco products~~ **cigarettes** as part of a delivery sale, provide the department of state revenue with a written statement containing the ~~merchant's~~ **cigarette manufacturer's** name, address, principal place of business, and each place of business in Indiana.

(b) A ~~merchant~~ **cigarette manufacturer** who mails or ships ~~tobacco products~~ **cigarettes** as part of a delivery sale shall, not later than the tenth day of the calendar month immediately following the month in which the delivery sale occurred, file with the department of state revenue a copy of the invoice for each delivery sale to a customer in Indiana. The invoice must include the following information:

(1) The name and address of the customer to whom the ~~tobacco products~~ **cigarettes** were delivered.

(2) The brand name of the ~~tobacco products~~ **cigarettes** that were delivered to the customer.

(3) The quantity of ~~tobacco products~~ **cigarettes** that were delivered to the customer.

(c) A ~~merchant~~ **cigarette manufacturer** who complies with 15 U.S.C. 376 for the delivery sale of cigarettes is considered to satisfy the requirements of this section.

SECTION 12. IC 24-3-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A ~~merchant~~ **cigarette manufacturer** who delivers ~~tobacco products~~ **cigarettes** to a customer as part of a delivery sale shall:

(1) collect and pay all applicable taxes under IC 6-7-1; ~~and IC 6-7-2~~; or

(2) place a legible and conspicuous notice on the outside of the container in which the ~~tobacco products~~ **cigarettes** are shipped. The notice shall be placed on the same side of the container as the address to which the container is shipped and must state the following:

"If these ~~tobacco products~~ **cigarettes** have been shipped to you from a ~~merchant~~ **cigarette manufacturer** located outside the state in which you reside, the ~~merchant~~ **cigarette manufacturer** has under federal law reported information about the sale of these ~~tobacco products;~~ **cigarettes,** including your name and address, to your state tax collection agency. You are legally responsible for all applicable unpaid state taxes on these ~~tobacco products.~~ **cigarettes.**".

(b) For a violation of this section the alcohol and tobacco commission may impose, in addition to any other remedies, civil penalties as follows:

(1) If the person has one (1) judgment for a violation of this section committed during a five (5) year period, a civil penalty of at least one thousand dollars ($1,000) but not more than two thousand dollars ($2,000).

(2) If the person has two (2) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of at least two thousand five hundred dollars ($2,500) but not more than three thousand five hundred dollars ($3,500).

(3) If the person has three (3) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of at least four thousand dollars ($4,000) but not more than five thousand dollars ($5,000).

(4) If the person has four (4) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of at least five thousand five hundred dollars ($5,500) but not more than six thousand five hundred dollars ($6,500).

(5) If the person has at least five (5) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of ten thousand dollars ($10,000).

SECTION 13. IC 24-3-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The alcohol and tobacco commission may impose a civil penalty of not more one thousand dollars ($1,000) on a:

(1) customer who signs another person's name to a statement required under ~~section 4(1)~~ **section 4(a)(1)** of this chapter; or

(2) ~~merchant~~ **cigarette manufacturer** who sells ~~tobacco products~~ **cigarettes** by delivery sale to a person less than eighteen (18) years of age.

The alcohol and tobacco commission shall deposit amounts collected under this section into the youth tobacco education and enforcement fund established by IC 7.1-6-2-6.".

Page 5, delete lines 33 through 35, begin a new paragraph and insert:

"SECTION 15. IC 24-3-5.2 IS REPEALED [EFFECTIVE JULY 1, 2005].".

Renumber all SECTIONS consecutively.

(Reference is to SB 379 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

SERVER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Transportation, to which was referred Senate Bill 127, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, line 5, delete "on" and insert "**on:**

(A)".

Page 2, line 7, delete "State Road 331" and insert "**U.S. 31**".

Page 2, line 8, delete "County." and insert "**County; and**

(B) U.S. 31 from the intersection of U.S. 31 and U.S. 20 in St. Joseph County to the boundary line between Indiana and Michigan.".

(Reference is to SB 127 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 6, Nays 3.

SERVER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which

was referred Senate Bill 303, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, reset in roman lines 10 through 12.

Page 1, line 13, reset in roman "magistrate to whom the proceeding has been assigned.".

Page 1, line 13, after "assigned." insert "**A request under this subsection must be in writing and must be filed with the court:**

(1) in a civil case, not later than:

(A) ten (10) days after the pleadings are closed; or

(B) thirty (30) days after the case is entered on the chronological case summary, in a case in which the defendant is not required to answer; or

(2) in a criminal case, not later than ten (10) days after the omnibus date.".

Page 1, line 13, begin a new line blocked left and reset in roman "Upon a".

Page 1, line 13, after "a" insert "**timely**".

Page 1, line 13, reset in roman "request".

Page 1, reset in roman lines 14 through 16.

(Reference is to SB 303 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

BRAY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill 373, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, line 13, delete "arising" and insert "**accruing**".

(Reference is to SB 373 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

BRAY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill 18, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE UPON PASSAGE]".

Page 1, between lines 3 and 4, begin a new paragraph and insert:

"**(b) As used in this section, felony means a conviction in any jurisdiction for which the convicted person might have been imprisoned for at least one (1) year. However, the term does not include a conviction:**

(1) for which the person has been pardoned; or

(2) that has been:

(A) reversed;

(B) vacated;

(C) set aside; or

(D) not entered because the trial court did not accept the person's guilty plea.".

Page 1, line 4, strike "(b)" and insert "**(c)**".

Page 1, line 4, strike "holding" and insert "**assuming**".

Page 1, line 5, after "if" insert ":".

Page 1, line 5, strike "the person:".

Page 1, line 6, after "(1)" insert "**the person**".

Page 1, line 9, after "(2)" insert "**the person**".

Page 1, line 11, strike "has:" and insert "**in a:**

(A) jury trial, a jury publicly announces a verdict against the person for a felony;

(B) bench trial, the court publicly announces a verdict against the person for a felony; or

(C) guilty plea hearing, the person pleads guilty or nolo contendere to a felony;".

Page 1, strike lines 12 through 13.

Page 1, line 14, strike "a felony (as defined in".

Page 1, line 14, delete "IC 35-50-2-1(b)), and the".

Page 1, delete line 15.

Page 1, line 16, after "(4)" insert "**the person**".

Page 2, line 2, after "(5)" insert "**the person**".

Page 2, line 5, after "(6)" insert "**the person**".

Page 2, between lines 10 and 11, begin a new paragraph and insert:

"**(d) The reduction of a felony to a Class A misdemeanor under IC 35-50-2-7 or IC 35-38-1-1.5 does not affect the operation of subsection (c).**".

Page 2, line 15, delete "IC 35-50-2-1(b)." and insert "**IC 3-8-1-5.**".

Page 2, line 20, after "when" insert ":".

Page 2, line 21, delete "the court pronounces the sentence for".

Page 2, line 22, delete "the felony;", begin a new line double block indented and insert:

"**(A) in a jury trial, a jury publicly announces a verdict against the person for a felony;**

(B) in a bench trial, the court publicly announces a verdict against the person for a felony; or

(C) in a guilty plea hearing, the person pleads guilty or nolo contendere to a felony;".

Page 2, line 24, delete "court pronounces the sentence for" and insert "**officer is removed from office under subdivision (1).**".

Page 2, delete line 25, begin a new paragraph and insert:

"**(c) The reduction of a felony to a Class A misdemeanor under IC 35-50-2-7 or IC 35-38-1-1.5 does not affect the operation of subsection (b).**".

Page 2, line 26, strike "(c)" and insert "**(d)**".

Page 2, line 26, strike "is reversed, vacated, or set aside," and insert "**is:**

(1) reversed;

(2) vacated;

(3) set aside;

(4) for a felony other than a felony arising out of an action taken in the officer's official capacity, reduced to a Class A misdemeanor under IC 35-50-2-7 or IC 35-38-1-1.5; or

(5) not entered because the trial court did not accept the guilty plea;".

Page 2, line 26, beginning with "and" begin a new line blocked left.

Page 2, line 27, delete ":".

Page 2, line 28, strike "(1)".

Page 2, line 28, delete ";".

Page 2, line 29, strike "(2)".

Page 2, run in lines 27 through 31.

Page 2, line 32, strike "(d)" and insert "**(e)**".

Page 2, line 36, strike "(e)" and insert "**(f)**".

Page 2, after line 39, begin a new paragraph and insert:

"SECTION 3. **An emergency is declared for this act.**".

(Reference is to SB 18 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

BRAY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill 322, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 14, delete "based on a criminal action;" and insert "**brought by the attorney general of the United States, a United States attorney, the attorney general of Indiana, or an Indiana prosecuting attorney under:**

(i) IC 34-24-1;

(ii) IC 34-24-2;

(iii) IC 34-24-3;

(iv) IC 5-11-5;

(v) IC 5-11-6;

(vi) IC 5-13-6;

(vii) IC 5-13-14-3; or

(viii) 18 U.S.C. Sec. 1964;".

Page 2, line 7, delete "that individual's acts as an officer or employee" and insert "**an act that was within the scope of the official duties of the officer or employee**".

Page 2, line 9, after "reasonable" insert "**and customarily charged**".

Page 2, line 12, delete "the" and insert "**all**".

Page 2, line 12, after "charges." insert "**The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses, as determined by the fiscal body of the unit or municipal corporation, incurred in the officer's or employee's defense against those charges, if all charges have been dismissed or the officer or employee has been found not guilty of all charges.**".

Page 2, line 14, delete "relating to that".

Page 2, line 15, delete "individual's acts as an officer or employee".

Page 2, line 17, after "reasonable" insert "**and customarily charged**".

Page 2, line 19, delete "employee." and insert "**employee and the acts were within the scope of the official duties of the officer or employee. The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses, as determined by the fiscal body of the unit or municipal corporation, incurred by the officer or employee as a result of the grand jury investigation, if the grand jury fails to indict the officer or employee.**".

Page 2, line 21, delete "based on a criminal action" and insert "**described in section 2(1)B(i) through section (2)(1)(B)(viii) of this chapter and brought by a person described in section 2(1)(B) of this chapter**".

Page 2, line 22, delete "relates to that individual's acts as an officer or employee" and insert "**involves an action within the scope of the official duties of the officer or employee**".

Page 2, line 24, after "reasonable" insert "**and customarily charged**".

Page 2, line 25, after "action" insert "**. The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses incurred in the officer's or employee's defense against the civil action**". Page 2, line 26, delete "either:".

Page 2, line 27, delete "(A)".

Page 2, run in lines 26 through 27.

Page 2, delete lines 29 through 31.

Page 2, line 32, after "(2)" insert "**a judgment is rendered in favor of**".

Page 2, line 32, delete "prevailed" and insert "**on all counts**".

(Reference is to SB 322 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

BRAY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill 516, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph, and insert:

"SECTION 1. IC 5-2-6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The victim and witness assistance fund is established. The institute shall administer the fund. Except as provided in subsection (e), expenditures from the fund may be made only in accordance with appropriations made by the general assembly.

(b) The source of the victim and witness assistance fund is the family violence and victim assistance fund established by IC 12-18-5-2.

(c) The institute may use money from the victim and witness assistance fund when awarding a grant or entering into a contract under this chapter, if the money is used for the support of a program in the office of a prosecuting attorney or in a state or local law enforcement agency designed to:

(1) help evaluate the physical, emotional, and personal needs of a victim resulting from a crime, and counsel or refer the victim to those agencies or persons in the community that can provide the services needed;

(2) provide transportation for victims and witnesses of crime to attend proceedings in the case when necessary; or

(3) provide other services to victims or witnesses of crime when necessary to enable them to participate in criminal proceedings without undue hardship or trauma.

(d) Money in the victim and witness assistance fund at the end of a particular fiscal year does not revert to the general fund.

(e) The institute may use money in the fund to:

(1) pay the costs of administering the fund, including expenditures for personnel and data;

(2) establish and maintain the sex and violent offender directory under IC 5-2-12; ~~and~~

(3) provide training for persons to assist victims; **and**

(4) provide funding for a victim notification program.".

Delete page 2.

Page 3, delete lines 1 through 4.

Page 5, line 23, delete "attorney general" and insert "**department of correction**".

Page 5, delete lines 26 through 32, begin a new paragraph, and insert:

"SECTION 3. IC 11-8-7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 7. Victim Notification Services

Sec. 1. As used in the chapter, "registered crime victim" refers to a person who registers to receive victim notification services under section 2(a)(5) of this chapter.

Sec. 2. (a) The department may establish an automated victim notification system to do the following:

(1) Automatically notify a registered crime victim when the committed offender who committed a crime against the registered crime victim:

(A) is transferred or assigned to another facility within the department;

(B) is transferred to a facility not operated by the department;

(C) is given a different security classification;

(D) is released on temporary leave;

(E) is discharged; or

(F) has escaped.

(2) Permit a registered crime victim to receive the most recent status report for an offender by calling the automated victim notification system on a toll free telephone number.

(3) Notify a registered crime victim concerning a change in the status of an offender as the result of:

(A) a criminal appeal;

(B) a habeas corpus proceeding; or

(C) an appeal from the grant or denial of a petition for postconviction relief.

(4) Provide notice to an occupant of a residence in the area in which a sex offender resides.

(5) Permit a crime victim to register or update the crime victim's registration for the automated victim notification system by calling a toll free telephone number.

(b) The automated victim notification system may transmit information to a person by:

(1) telephone;

(2) electronic mail; or

(3) another method as determined by the department.

Sec. 3. The department shall ensure that the offender information contained in the automated victim notification system is updated frequently enough to timely notify a registered crime victim that an offender has been released, has been discharged, or has escaped. However, the failure of the automated victim notification system to provide notice to the registered crime victim does not establish a separate cause of action by the registered crime victim against:

(1) the state; or

(3) the department.

Sec. 4. A law enforcement officer, a law enforcement agency, and a prosecuting attorney shall cooperate with the department in establishing and maintaining the automated victim notification system.

Sec. 5. The department, with the Indiana criminal justice institute, shall seek:

(1) federal grants; and

(2) other funding, including a grant from the victim and witness assistance fund (IC 5-2-6-14);

for startup and operational costs for victim notification services under this chapter.

Sec. 6. The department may adopt rules under IC 4-22-2 to implement this chapter.".

Page 5, line 36, delete "attorney general" and insert "**department of correction**".

Page 5, line 37, delete "**IC 4-6-13**" and insert "**IC 11-8-7**".

Renumber all SECTIONS consecutively.

(Reference is to SB 516 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

BRAY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill 446, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 12, delete "can be" and insert "**is**".

Page 2, line 41, after "mail" insert "**by certified mail, or by another delivery service providing proof of delivery,**".

Page 4, after line 17, begin a new paragraph and insert:

"SECTION 4. IC 13-26-14-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 4. Rates, fees, or charges made, assessed, or established by the district are a lien on a lot, parcel of land, or building that is connected with or uses the works of the district in the manner established under IC 36-9-23. The liens:**

(1) attach;

(2) are recorded;

(3) are subject to the same penalties, interest, and reasonable attorney's fees on recovery; and

(4) shall be collected and enforced;

in substantially the same manner as provided in IC 36-9-23-31 through IC 36-9-23-32.

SECTION 5. IC 36-11-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A district may enforce delinquent fees and penalties in the manner described in ~~IC 13-26-13.~~ **IC 36-9-23.**

SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 13-26-12; IC 13-26-13.".

(Reference is to SB 446 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

BRAY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill 307, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 6, Nays 2.

RIEGSECKER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill 139, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 4, line 25, after "for a" insert "**public**".

Page 4, line 26, after "a" insert "**public**".

Page 8, line 3, after "a" insert "**public**".

(Reference is to SB 139 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 0.

RIEGSECKER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill 529, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 4, delete lines 23 through 28, begin a new paragraph and insert:

"SECTION 12. IC 31-9-2-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. "Director", for purposes of IC 31-33, IC 31-34, and IC 31-37, refers to the director of the ~~division of family and children.~~ **department of child services.**

SECTION 13. IC 31-16-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) In a proceeding under IC 31-14 or IC 31-16-2 through IC 31-16-12 to establish, modify, or enforce a child support order, the court shall:

(1) enter an order for immediate income withholding; and

(2) modify any previously issued income withholding order that has not been activated under this chapter to provide for immediate income withholding.

(b) The court shall issue the income withholding order to the income payor not later than fifteen (15) calendar days after the court's determination.

(c) The income withholding order must order income payors to send to the ~~clerk of the court~~ **state central collection unit** or other person specified in the support order under:

(1) IC 31-14-11-11;

(2) IC 31-16-4; or

(3) IC 31-16-9;

the amount of income established by the court for child support at the time the order for child support is established, enforced, or modified.

(d) However, the court shall issue an income withholding order that will not become activated except upon the occurrence of the two (2) conditions described in section 2 of this chapter if:

(1) the parties submit a written agreement providing for an alternative child support arrangement; or

(2) the court determines that good cause exists not to require immediate income withholding.

(e) A finding of good cause under subsection (d)(2) must:

(1) be written; and

(2) include:

(A) all reasons why immediate income withholding is not in the best interests of the child; and

(B) if the case involves a modification of support, a statement that past support has been timely paid.

(f) The income withholding order must contain a statement that if the withholding order is activated, income payors will be ordered to send to the ~~clerk of the court~~ **state central collection unit** or other person specified in the support order under:

(1) IC 31-14-11-11;

(2) IC 31-16-4; or

(3) IC 31-16-9;

the amount of income established by the court for child support.

SECTION 14. IC 31-16-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section applies to the implementation of income withholding under an order issued under sections 1 and 3 of this chapter.

(b) If the Title IV-D agency or the court becomes aware that the obligor has an income payor to whom a notice has not been sent under subsection (c) or an income payor to whom notice of delinquent support has not been sent under subsection (c):

(1) the Title IV-D agency in a case arising under Title IV-D of the federal Social Security Act (42 U.S.C. 651 through 669); or

(2) the court;

shall not later than fifteen (15) calendar days after becoming aware of an income payor send a written notice to the income payor that the withholding is binding on the income payor.

(c) The notice to an income payor under this section must contain a statement of the following:

(1) That the income payor is required to withhold a certain amount of income from the obligor.

(2) That the total amount to be withheld under court order by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current child support obligation;

(B) an amount to be applied toward the liquidation of any

arrearages; and

(C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the ~~clerk of the court~~ **state central collection unit** or other person specified in the notice;

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(3) That the income payor shall:

(A) forward the withheld income described in subdivision (2)(A) and (2)(B) to the ~~clerk of the court~~ **state central collection unit** or other person named in the notice at the same time that the obligor is paid; and

(B) include a statement identifying:

(i) each cause number;

(ii) the name of each obligor; and

(iii) the name of each payee with the withheld income forwarded by the income payor.

(4) That withholding is binding upon the income payor until further notice from a Title IV-D agency.

(5) That the obligor may recover from the income payor in a civil action an amount not less than one hundred dollars ($100) if the income payor:

(A) discharges the obligor from employment;

(B) refuses the obligor employment; or

(C) disciplines the obligor;

solely because the income payor is required to forward income under this chapter.

(6) That the income payor is liable for any amount that the income payor fails to forward under this chapter.

(7) That withholding under this chapter has priority over any secured or unsecured claim on income except claims for federal, state, and local taxes.

(8) That, if the income payor is required to withhold income from more than one (1) obligor, the income payor may:

(A) combine in a single payment the withheld amounts for all obligors who have been ordered to pay the ~~same clerk~~ **state central collection unit** or other governmental agency; and

(B) separately identify the part of the single payment that is attributable to each individual obligor.

(9) That if:

(A) there is more than one (1) order for withholding against a single obligor; and

(B) the obligor has insufficient disposable earnings to pay the amount required by all the orders;

the income payor shall distribute the withheld earnings pro rata among the entities entitled to receive earnings under the orders, giving priority to a current support withholding order. The income payor shall honor all withholdings to the extent that the total amount withheld does not exceed the limits imposed under 15 U.S.C. 1673(b).

(10) That the income payor shall implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(11) That the income payor shall:

(A) notify:

(i) the Title IV-D agency if the Title IV-D agency gives the notice under this section; or

(ii) the court if the court gives the notice under this section;

when the obligor ceases employment or no longer receives income not later than ten (10) days after the employment or income ceases; and

(B) provide:

(i) the obligor's last known address; and

(ii) the name and address of the obligor's new income payor, if known.

SECTION 15. IC 31-16-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Whenever an income withholding order is to be:

(1) activated in a case arising under section 5 of this chapter; or

(2) implemented by a Title IV-D agency under section 3 of this chapter despite the absence of a withholding order in the support order;

the Title IV-D agency shall send a written notice to the obligor.

(b) The notice required under subsection (a) must contain a statement of the following:

(1) Whether the obligor is delinquent in the payment of child support.

(2) The amount of child support, if any, that the obligor is in arrears.

(3) That a certain amount of income is to be:

(A) withheld under court order or action by the Title IV-D agency from the obligor's income; and

(B) forwarded to the ~~clerk of the court.~~ **state central collection unit or other person named in the notice.**

(4) That the total amount to be withheld under court order or action by the Title IV-D agency by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current monthly child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court or other person specified in the notice to the income payor under this chapter;

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to the receipt of any current or subsequent income.

(6) That the only basis for contesting activation of income withholding is a mistake of fact.

(7) That an obligor may contest the Title IV-D agency's determination to activate income withholding by making written application to the Title IV-D agency not later than twenty (20) days after the date the notice is mailed.

(8) That if the obligor contests the Title IV-D agency's determination to activate the income withholding order, the Title IV-D agency shall schedule an administrative hearing.

(9) That if the obligor does not contest the Title IV-D agency's determination to activate the income withholding order, the Title IV-D agency will activate income withholding.

(10) That income withholding will continue until a court or

the Title IV-D agency terminates activation of income withholding.

SECTION 16. IC 31-16-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If a petition to activate an income withholding order is filed under section 6(2) or 6(3) of this chapter, the court shall set a date for a hearing on the petition that is not later than twenty (20) days after the date the petition is filed. The court shall send a summons and a written notice to the obligor. The notice must contain a statement of the following:

(1) Whether the obligor is delinquent in the payment of child support.

(2) The amount of child support, if any, that the obligor is in arrears.

(3) That a certain amount for the payment of current and past due child support is to be withheld each month from the obligor's income and forwarded to the ~~clerk of the court.~~ **state central collection unit or other person named in the notice.**

(4) That the total amount to be withheld each month by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current monthly child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the ~~clerk of the court;~~ **state central collection unit or other person named in the notice;**

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to receipt of any current or subsequent income.

(6) That any of the following constitutes a basis for contesting the withholding:

(A) A mistake of fact.

(B) The parties have submitted a written agreement providing for an alternative child support arrangement.

(C) A court determines that good cause exists not to require immediate income withholding.

(7) That income withholding will continue until the activation of the income withholding order is terminated by the court.

(8) That if the obligor does not appear at the hearing, the court will activate the income withholding order.

(b) If:

(1) the obligor does not appear at the hearing on the petition filed under section 6(2) or 6(3) of this chapter; or

(2) the court grants the petition;

the court shall activate the income withholding order by mailing a written notice to the income payor as provided in section 10 of this chapter.

SECTION 17. IC 31-16-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) To activate or implement an income withholding order, in addition to the notice requirements imposed by sections 7 and 8 of this chapter:

(1) the Title IV-D agency in a case arising under section 3 or 5 of this chapter; or

(2) the court in a case arising under section 6 of this chapter;

shall mail a written notice to each income payor not later than fifteen (15) calendar days after the issuance of the income withholding order.

(b) The notice to each income payor must contain a statement of the following:

(1) That the income payor is required to withhold a certain amount of income from the obligor.

(2) That the total amount to be withheld each month by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current monthly child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the ~~clerk of the court;~~ **state central collection unit or other person named in the notice;**

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(3) That the income payor shall:

(A) forward the withheld income described in subdivision (2)(A) and (2)(B) to the ~~clerk of the court or~~ the state central collection unit **or other person** named in the notice at the same time that the obligor is paid; and

(B) include a statement identifying:

(i) each cause number;

(ii) the Indiana support enforcement tracking system (ISETS) case number;

(iii) the name of each obligor; ~~and~~

(iv) the name of each payee with the withheld income forwarded by the income payor; **and**

(v) the obligor's Social Security number.

(4) That withholding is binding upon the income payor until further notice.

(5) That the obligor may recover from the income payor in a civil action an amount not less than one hundred dollars ($100) if the income payor:

(A) discharges the obligor from employment;

(B) refuses the obligor employment; or

(C) disciplines the obligor;

because the income payor is required to forward income under this chapter.

(6) That the income payor is liable for any amount that the income payor fails to forward under this chapter.

(7) That withholding under this chapter has priority over any secured or unsecured claim on income except claims for federal, state, and local taxes.

(8) That, if the income payor is required to withhold income from more than one (1) obligor, the income payor may:

(A) combine in a single payment the withheld amounts for all obligors who have been ordered to pay the ~~same clerk~~ **state central collection unit** or other governmental agency; and

(B) separately identify the part of the single payment that is attributable to each individual obligor.

(9) That if:

(A) there is more than one (1) order for withholding against

a single obligor; and

(B) the obligor has insufficient disposable earnings to pay the amount required by all the orders;

the income payor shall distribute the withheld earnings pro rata among the entities entitled to receive earnings under the orders, giving priority to a current support withholding order, and shall honor all withholdings to the extent that the total amount withheld does not exceed the limits imposed under 15 U.S.C. 1673(b).

(10) That the income payor shall implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(11) That the income payor shall:

(A) notify:

(i) the Title IV-D agency in a case arising under section 5 of this chapter; or

(ii) the court in a case arising under section 1 or 6 of this chapter;

when the obligor terminates employment or ceases to receive other income not later than ten (10) days after termination; and

(B) provide:

(i) the obligor's last known address; and

(ii) the name and address of the obligor's new income payor if known.

SECTION 18. IC 31-16-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) An income payor that is required to withhold income under this chapter shall:

(1) forward income withheld for the payment of current and past due child support to the ~~clerk of the court,~~ **the** state central collection unit or other person named in the notice at the same time that the obligor is paid;

(2) include a statement identifying:

(A) each cause number;

(B) the Indiana support enforcement tracking system (ISETS) case number;

(C) the name of each obligor **and the obligor's Social Security number;** and

(D) the name of each payee with the withheld income forwarded by the income payor; and

(3) implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(b) The income payor may retain, in addition to the amount required to be forwarded to the ~~clerk of court~~ **state central collection unit** under subsection (a), a fee of two dollars ($2) from the obligor's income each time the income payor forwards income to the ~~clerk of the court~~ **state central collection unit** or other person specified in the notice to an income payor under this chapter. If the income payor elects to withhold the fee, the amount to be withheld for the payment of current and past due child support must be reduced accordingly if necessary to avoid exceeding the maximum amount permitted to be withheld under 15 U.S.C. 1673(b).

SECTION 19. IC 31-16-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in subsection (b), if the income payor is required to withhold income from more than one (1) obligor under this chapter, the income payor may:

(1) combine in a single payment the withheld amounts for all obligors who have been ordered to pay to the ~~same clerk~~ **state central collection unit** or other governmental agency; and

(2) separately identify the part of the single payment that is attributable to each individual obligor.

(b) If the income payor:

(1) is required to withhold income from more than one (1) obligor under this chapter; and

(2) employs more than fifty (50) employees;

the income payor shall make payments to the state central collection unit through electronic funds transfer.

(c) The department of child services shall assess a civil penalty of twenty-five dollars ($25) per obligor per pay period against an income payor that:

(1) is required to make a payment through electronic funds transfer under subsection (b); and

(2) does not make the payment through electronic funds transfer.

The department shall deposit the penalties into the state general fund.".

Page 42, between lines 31 and 32, begin a new paragraph and insert the following:

"SECTION 113. [EFFECTIVE JULY 1, 2005] **(a) On July 1, 2005, the following occur:**

(1) The division of family and children established by IC 12-13-1-1 becomes the division of family resources.

(2) The powers, duties, and functions of the division of family and children are transferred to the division of family resources.

(3) A reference in the Indiana Code or the Indiana Administrative Code to the division of family and children shall be construed as a reference to the division of family resources.

(4) The property and records of the division of family and children are transferred to the division of family resources.

(5) Any appropriations made to the division of family and children are transferred to the division of family resources.

(6) An individual who is an employee of the division of family and children becomes an employee of the division of family resources. The employee is entitled to have the employee's service before July 1, 2005, recognized for the purposes of computing retention points under IC 4-15-2-32 if a layoff occurs and all other applicable employee benefits.

(7) Rules adopted by the division of family and children before July 1, 2005, are considered after June 30, 2005, to be rules of the division of family resources.

(8) The division of family resources shall amend references to the division of family and children in rules adopted by the division of family and children before July 1, 2005, to reflect the change described in subdivision (1).

(b) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to make appropriate changes in statutes that are

required as a result of the occurrences described in this SECTION.

(c) This SECTION expires December 31, 2009.".

Renumber all SECTIONS consecutively.

(Reference is to SB 529 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Tax and Fiscal Policy.

Committee Vote: Yeas 10, Nays 0.

MILLER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill 206, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, line 36, delete "IC 25-1-11-2)" and insert "**IC 25-1-9-2)**".

Page 2, after line 42, begin a new line block indented and insert:

"**(8) A provider that:**

(A) provides home medical equipment services with the scope of the licensed provider's professional practice;

(B) is otherwise licensed by the state; and

(C) receives annual continuing education that is documented by the provider or the licensing entity.

(9) An employee of a person licensed under this chapter.".

Page 3, line 1, after "pharmacy" insert "**that holds a permit issued under IC 25-26**".

Page 3, line 3, after "chapter;" insert "**and**".

Page 3, line 4, after "is" insert "**otherwise**".

Page 3, line 17, delete "on a site zoned for commercial use,".

Page 3, line 23, delete "personnel" and insert "**an employee or a contractor of the provider who is**".

Page 3, line 25, delete "education established by the board:" and insert "**education:**".

Page 3, between lines 33 and 34, begin a new line block indented and insert:

"**The provider shall maintain documentation of the continuing education received by each employee or contractor.**".

Page 4, line 27, delete "may" and insert "**must be deposited in the state general fund.**".

Page 4, delete lines 28 through 29.

Page 4, line 38, after "board." insert "**An entity that is licensed under this chapter shall display the license or a copy of the license on the licensed premises.**".

Page 5, between lines 17 and 18, begin a new line block indented and insert:

"**(3) To ensure continuing compliance with the licensing requirements under this chapter.**".

Page 5, line 18, delete "send" and insert "**provide**".

Page 5, line 22, after "appeal" insert "**under IC 4-21.5**".

Page 6, line 2, delete "dishonesty;" and insert "**fraud or deceit;**".

Page 7, line 12, delete "the provider shall be issued" and insert "**the board, after the adoption of rules under subsection (g) concerning the issuance of temporary licenses, shall issue the provider**".

Page 7, line 26, after "(g)" insert "**The board may adopt rules under IC 4-22-2 necessary to implement this SECTION.**

(h)".

(Reference is to SB 206 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

MILLER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill 481, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "services"," and insert "**services plan",**".

Page 1, line 8, delete "services"" and insert "**services plan**"".

Page 1, line 9, delete "services identified under".

Page 2, line 1, delete "shall" and insert "**may**".

Page 2, line 1, after "provides" insert "**a**".

Page 2, line 2, after "services" insert "**plan**".

Page 2, line 12, delete "shall" and insert "**may**".

Page 2, line 18, delete "twenty-two (22)" and insert "**twenty-one (21)**".

Page 2, line 25, delete "shall" and insert "**may**".

(Reference is to SB 481 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 0.

MILLER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill 603, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

MILLER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Corrections, Criminal, and Civil Matters, to which was referred Senate Bill 175, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 35-38-2.5-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 2.5. As used in this chapter, "contract agency" means an agency or a company that contracts with a community corrections program or a**

probation department to monitor an offender or alleged offender using a monitoring device.

SECTION 2. IC 35-38-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. **(a)** As used in this chapter, "monitoring device" means an electronic device that:

(1) ~~is limited in capability to the recording~~ **can record** or ~~transmitting of~~ **transmit** information **twenty-four (24) hours each day** regarding an offender's:

(A) presence or absence from the offender's home; **and**

(B) location while the offender is away from home;

(2) is minimally intrusive upon the privacy of the offender or other persons residing in the offender's home; ~~and~~

(3) with the written consent of the offender and with the written consent of other persons residing in the home at the time an order for home detention is entered, may record or transmit:

(A) **a** visual ~~images,~~ **image;**

(B) ~~oral or wire~~ **an electronic** communication or any ~~auditory~~ sound; or

(C) information regarding the offender's activities while inside the offender's home;

(4) can track the locations where the offender has been; and

(5) can notify a probation department, a community corrections program, or a contract agency if the offender violates the terms of a home detention order.

(b) The term includes any device that can reliably determine the location of an offender, including a device that uses a global positioning system satellite service.

SECTION 3. IC 35-38-2.5-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.7. As used in this chapter, "violent offender" means a person who is:

(1) convicted of an offense or attempted offense ~~except for an offense~~ under IC 35-50-1-2(a), IC 35-42-2-1, IC 35-42-2-1.3, IC 35-43-1-1, IC 35-44-3-5, IC 35-45-10-5, IC 35-47-5-1 (repealed), or IC 35-47.5-5;

(2) charged with an offense or attempted offense listed in IC 35-50-1-2(a), IC 35-42-2-1, IC 35-42-2-1.3, IC 35-42-4, IC 35-43-1-1, IC 35-44-3-5, IC 35-45-10-5, IC 35-46-1-3, IC 35-47-5-1 (repealed), or IC 35-47.5-5; or

(3) a security risk as determined under section 10 of this chapter.

SECTION 4. IC 35-38-2.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Each probation department or community corrections program shall establish written criteria and procedures for determining whether an offender or alleged offender that the department or program supervises on home detention qualifies as a violent offender.

(b) A probation department or community corrections program shall use the criteria and procedures established under subsection (a) to establish a record keeping system that allows the department or program to quickly determine whether an offender or alleged offender who violates the terms of a home detention order is a violent offender.

(c) A probation department or a community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall provide all law enforcement agencies (including any contract agencies) having jurisdiction in the place where the probation department or a community corrections program is located with a list of offenders and alleged offenders under home detention supervised by the probation department or the community corrections program. The list must include the following information about each offender and alleged offender:

(1) The offender's name, any known aliases, and the location of the offender's home detention.

(2) The crime for which the offender was convicted.

(3) The date the offender's home detention expires.

(4) The name, address, and telephone number of the offender's supervising probation or community corrections program officer for home detention.

(5) An indication of whether the offender or alleged offender is a violent offender.

(d) Except as provided under section 6(1) of this chapter, a probation department or community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall, at the beginning of a period of home detention, set the monitoring device and surveillance equipment to minimize the possibility that the offender or alleged offender can enter another residence or structure without a violation.

(e) A probation department or community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall:

(1) maintain or contract with a contract agency to maintain constant supervision of each offender and alleged offender; and

(2) have adequate staff available twenty-four (24) hours each day to respond if an offender or alleged offender violates the conditions of a home detention order.

(f) A contract agency that maintains supervision of an offender or alleged offender under subsection (e)(1) shall notify the contracting probation department or community corrections program within one (1) hour if the offender or alleged offender violates the conditions of a home detention order. However:

(1) a community corrections advisory board, if the offender is serving home detention as part of a community corrections program; or

(2) a probation department, if the offender or alleged offender is serving home detention as a condition of probation or bail;

may shorten the time in which the contract agency must give notice of a home detention order violation.

(g) A probation department or community corrections program may contract with a contract agency under subsection (e)(1) only if the contract agency can comply with subsection (f).

SECTION 5. IC 35-38-2.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) A probation department or community corrections program charged by a court with supervision of a violent offender placed on home detention under this chapter shall:

(1) cause a local law enforcement agency or contract agency described in section 10 of this chapter to be the initial agency contacted upon determining that the violent offender is in violation of a ~~court order for~~ home detention **order;**

~~(b) A probation department or community corrections program charged by a court with supervision of a violent offender placed on home detention under this chapter shall~~

(2) maintain constant supervision of the violent offender using a monitoring device and surveillance equipment ~~The supervising entity may do this~~ by **either:**

~~(1)~~ **(A)** using the supervising entity's equipment and personnel; or

~~(2)~~ **(B)** contracting with ~~an outside entity;~~ **a contract agency; and**

(3) have adequate staff available twenty-four (24) hours each day to respond if the violent offender violates the conditions of a home detention order.

(b) A contract agency that maintains supervision of a violent offender under subsection (a)(2) shall notify the contracting probation department or community corrections program within one (1) hour if the violent offender violates the conditions of a home detention order. However, a:

(1) community corrections advisory board, if the violent offender is serving home detention as part of a community corrections program; or

(2) probation department, if the violent offender is serving home detention as a condition of probation or bail;

may shorten the time in which the contract agency must give notice of a home detention order violation.

(c) A probation department or community corrections program may contract with a contract agency under subsection (a)(2) onlyif the contract agency can comply with subsection (b).

(Reference is to SB 175 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

LONG, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Corrections, Criminal, and Civil Matters, to which was referred Senate Bill 233, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 11, delete "(b)." insert "(b) **or (c).**".

Page 1, line 13, reset in roman "fourteen (14)".

Page 1, line 13, delete "sixteen (16)".

Page 1, line 14, reset in roman "fourteen".

Page 1, line 15, reset in roman "(14)".

Page 1, line 15, delete "sixteen (16)".

Page 2, between lines 5 and 6, begin a new paragraph and insert:

"**(c) A person at least twenty-one (21) years of age who knowingly or intentionally solicits a child at least fourteen (14) years of age but less than sixteen (16) years of age, or an individual the person believes to be a child at least fourteen (14) years of age but less than sixteen (16) years of age, to engage in:**

(1) sexual intercourse;

(2) deviate sexual conduct; or

(3) any fondling or touching intended to arouse or satisfy the sexual desires of either the child or the older person;

commits child solicitation, a Class D felony. However, the offense is a Class C felony if it is committed by using a computer network (as defined in IC 35-43-2-3(a)).".

Page 2, line 6, strike "(c)" and insert "**(d)**".

Page 2, line 8, after "(b)" insert "**or (c)**".

(Reference is to SB 233 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

LONG, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Corrections, Criminal, and Civil Matters, to which was referred Senate Bill 400, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 11, Nays 0.

LONG, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Corrections, Criminal, and Civil Matters, to which was referred Senate Bill 54, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 9, reset in roman "under IC 36-1-14.2".

Page 1, reset in roman lines 11 through 12.

Page 1, line 12, delete ":" and insert "**provides health care services without charge and that:**".

Page 1, reset in roman line 13.

Page 1, line 14, reset in roman "IC 36-1-14.2;".

Page 1, line 14, after "and" insert "**or**".

Page 1, between lines 15 and 16, begin a new line double block indented and insert:

"**(B) is covered under 42 U.S.C. 233.**".

Page 1, delete lines 16 through 17.

Page 2, delete lines 1 through 27.

Page 2, line 28, after "IC 34-30-13-1" insert "**,**".

Page 2, line 28, delete "and".

Page 2, line 29, delete "IC 34-30-13-2, both".

Page 2, line 29, delete "and IC 34-30-13-1.5,".

Page 2, line 30, delete "as added by this act, apply" and insert "**applies**".

Renumber all SECTIONS consecutively.

(Reference is to SB 54 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 6, Nays 0.

LONG, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Utilities, and Public Policy, to which was referred Senate Bill 32,

has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.
Committee Vote: Yeas 11, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Corrections, Criminal, and Civil Matters, to which was referred Engrossed Senate Joint Resolution 7 , has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said joint resolution be amended as follows:

Page 1, line 8, after "of one" delete "(1)".

Page 1, line 8, after "and one" delete "(1)".

Page 1, delete lines 10 through 12, begin a new paragraph and insert:

"**(b) This Constitution or any other Indiana law may not be construed to require that marital status or the legal incidents of marriage be conferred upon unmarried couples or groups.**".

(Reference is to SJR 7 as introduced.)
and when so amended that said resolution do pass.
Committee Vote: Yeas 7, Nays 4.

LONG, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill 1, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-12.1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. For purposes of this chapter:

(1) "Economic revitalization area" means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes:

(A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and

(B) a residentially distressed area, except as otherwise provided in this chapter.

(2) "City" means any city in this state, and "town" means any town incorporated under IC 36-5-1.

(3) "New manufacturing equipment" means any tangible personal property which:

(A) was installed after February 28, 1983, and before January 1, ~~2006,~~ **2011,** in an area that is declared an economic revitalization area after February 28, 1983, in which a deduction for tangible personal property is allowed;

(B) is used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including but not limited to use to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(C) was acquired by its owner for use as described in clause (B) and was never before used by its owner for any purpose in Indiana.

However, notwithstanding any other law, the term includes tangible personal property that is used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products and was installed after March 1, 1993, and before March 2, 1996, even if the property was installed before the area where the property is located was designated as an economic revitalization area or the statement of benefits for the property was approved by the designating body.

(4) "Property" means a building or structure, but does not include land.

(5) "Redevelopment" means the construction of new structures in economic revitalization areas, either:

(A) on unimproved real estate; or

(B) on real estate upon which a prior existing structure is demolished to allow for a new construction.

(6) "Rehabilitation" means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

(A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.

(B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means either:

(A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter; or

(B) the application **(before January 1, 2006) or schedule (after December 31, 2005)** filed in accordance with ~~section 5.5~~ **section 5.4** of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

(A) is installed after June 30, 2000, and before January 1, ~~2006,~~ **2011,** in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) laboratory equipment;

(ii) research and development equipment;

(iii) computers and computer software;

(iv) telecommunications equipment; or

(v) testing equipment;

(C) is used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products; and

(D) is acquired by the property owner for purposes described in this subdivision and was never before used by the owner for any purpose in Indiana.

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

(A) is installed after June 30, 2004, and before January 1, ~~2006,~~ **2011,** in an economic revitalization area

~~(i)~~ in which a deduction for tangible personal property is allowed; ~~and~~

~~(ii) located in a county referred to in section 2.3 of this chapter, subject to section 2.3(c) of this chapter;~~

(B) consists of:

(i) racking equipment;

(ii) scanning or coding equipment;

(iii) separators;

(iv) conveyors;

(v) forklifts or lifting equipment (including "walk behinds");

(vi) transitional moving equipment;

(vii) packaging equipment;

(viii) sorting and picking equipment; or

(ix) software for technology used in logistical distribution;

(C) is used for the storage or distribution of goods, services, or information; and

(D) before being used as described in clause (C), was never used by its owner for any purpose in Indiana.

(14) "New information technology equipment" means tangible personal property that:

(A) is installed after June 30, 2004, and before January 1, ~~2006,~~ **2011,** in an economic revitalization area

~~(i)~~ in which a deduction for tangible personal property is allowed; ~~and~~

~~(ii) located in a county referred to in section 2.3 of this chapter, subject to section 2.3(c) of this chapter;~~

(B) consists of equipment, including software, used in the fields of:

(i) information processing;

(ii) office automation;

(iii) telecommunication facilities and networks;

(iv) informatics;

(v) network administration;

(vi) software development; and

(vii) fiber optics; and

(C) before being installed as described in clause (A), was never used by its owner for any purpose in Indiana.

SECTION 2. IC 6-1.1-12.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A designating body may find that a particular area within its jurisdiction is an economic revitalization area. However, the deduction provided by this chapter for economic revitalization areas not within a city or town shall not be available to retail businesses.

(b) In a county containing a consolidated city or within a city or town, a designating body may find that a particular area within its jurisdiction is a residentially distressed area. Designation of an area as a residentially distressed area has the same effect as designating an area as an economic revitalization area, except that the amount of the deduction shall be calculated as specified in section 4.1 of this chapter and the deduction is allowed for not more than five (5) years. In order to declare a particular area a residentially distressed area, the designating body must follow the same procedure that is required to designate an area as an economic revitalization area and must make all the following additional findings or all the additional findings described in subsection (c):

(1) The area is comprised of parcels that are either unimproved or contain only one (1) or two (2) family dwellings or multifamily dwellings designed for up to four (4) families, including accessory buildings for those dwellings.

(2) Any dwellings in the area are not permanently occupied and are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) Parcels of property in the area:

(A) have been sold and not redeemed under IC 6-1.1-24 and IC 6-1.1-25; or

(B) are owned by a unit of local government.

However, in a city in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), the designating body is only required to make one (1) of the additional findings described in this subsection or one (1) of the additional findings described in subsection (c).

(c) In a county containing a consolidated city or within a city or town, a designating body that wishes to designate a particular area a residentially distressed area may make the following additional findings as an alternative to the additional findings described in subsection (b):

(1) A significant number of dwelling units within the area are not permanently occupied or a significant number of parcels in the area are vacant land.

(2) A significant number of dwelling units within the area are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) The area has experienced a net loss in the number of dwelling units, as documented by census information, local building and demolition permits, or certificates of occupancy,

or the area is owned by Indiana or the United States.

(4) The area (plus any areas previously designated under this subsection) will not exceed ten percent (10%) of the total area within the designating body's jurisdiction.

However, in a city in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), the designating body is only required to make one (1) of the additional findings described in this subsection as an alternative to one (1) of the additional findings described in subsection (b).

(d) A designating body is required to attach the following conditions to the grant of a residentially distressed area designation:

(1) The deduction will not be allowed unless the dwelling is rehabilitated to meet local code standards for habitability.

(2) If a designation application is filed, the designating body may require that the redevelopment or rehabilitation be completed within a reasonable period of time.

(e) To make a designation described in subsection (a) or (b), the designating body shall use procedures prescribed in section 2.5 of this chapter.

(f) The property tax deductions provided by sections 3 and 4.5 of this chapter are only available within an area which the designating body finds to be an economic revitalization area.

(g) The designating body may adopt a resolution establishing general standards to be used, along with the requirements set forth in the definition of economic revitalization area, by the designating body in finding an area to be an economic revitalization area. The standards must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction. The following three (3) sets of standards may be established:

(1) One (1) relative to the deduction under section 3 of this chapter for economic revitalization areas that are not residentially distressed areas.

(2) One (1) relative to the deduction under section 3 of this chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.

(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

(1) limit the time period to a certain number of calendar years during which the area shall be so designated;

(2) limit the type of deductions that will be allowed within the economic revitalization area to either the deduction allowed under section 3 of this chapter or the deduction allowed under section 4.5 of this chapter;

(3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and new information technology equipment if a deduction under this chapter had not been filed before July 1, 1987, for that equipment;

(4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas on or after September 1, 1988; or

(5) impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

To exercise one (1) or more of these powers, a designating body must include this fact in the resolution passed under section 2.5 of this chapter.

(j) Notwithstanding any other provision of this chapter, if a designating body limits the time period during which an area is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment installed before January 1, ~~2006,~~ **2011,** but after the expiration of the economic revitalization area if:

(A) the economic revitalization area designation expires after December 30, 1995; and

(B) the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment was described in a statement of benefits submitted to and approved by the designating body in accordance with section 4.5 of this chapter before the expiration of the economic revitalization area designation; or

(2) limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under section 4 or 4.5 of this chapter.

(k) Notwithstanding any other provision of this chapter, deductions:

(1) that are authorized under section 3 of this chapter for property in an area designated as an urban development area before March 1, 1983, and that are based on an increase in assessed valuation resulting from redevelopment or rehabilitation that occurs before March 1, 1983; or

(2) that are authorized under section 4.5 of this chapter for new manufacturing equipment installed in an area designated as an urban development area before March 1, 1983;

apply according to the provisions of this chapter as they existed at the time that an application for the deduction was first made. No deduction that is based on the location of property or new manufacturing equipment in an urban development area is authorized under this chapter after February 28, 1983, unless the initial increase in assessed value resulting from the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment occurred before March 1, 1983.

(l) If property located in an economic revitalization area is also located in an allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), an application for the property tax deduction provided by this chapter may not be approved unless the commission that designated the allocation area adopts a resolution

approving the application.

SECTION 3. IC 6-1.1-12.1-5.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction ~~application~~ **schedule with the person's personal property return** on ~~forms~~ **a form** prescribed by the department of local government finance with the ~~auditor~~ **township assessor** of the ~~county~~ **township** in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located. ~~A~~ **Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a** person ~~that~~ **files with:**

(1) a timely ~~files a~~ personal property return under IC 6-1.1-3-7(a) ~~for the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under~~ **or** IC 6-1.1-3-7(b); ~~for the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed must file the application between March 1 and the extended due date for that year.~~ **or**

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township assessor shall forward to the county auditor and the county assessor a copy of each certified deduction schedule filed under this subsection.

(b) The deduction ~~application~~ **schedule** required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

~~(3) Proof of the date the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment was installed.~~

~~(4)~~ **(3)** The amount of the deduction claimed for the first year of the deduction.

(c) This subsection applies to a deduction ~~application~~ **schedule** with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which a statement of benefits was initially approved after April 30, 1991. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction ~~application~~ **schedule** to the designating body, and the designating body shall adopt a resolution under section 4.5(g)(2) of this chapter.

(d) A deduction ~~application~~ **schedule** must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed and in each of the immediately succeeding years the deduction is allowed.

(e) ~~Subject to subsection (i),~~ The ~~county auditor shall:~~ **township assessor or the county assessor may:**

(1) review the deduction ~~application,~~ **schedule;** and

(2) ~~approve,~~ **before the March 1 that next succeeds the assessment date for which the deduction is claimed,** deny or alter the amount of the deduction.

~~Upon approval of the deduction application or alteration of the amount of the deduction,~~ **If the township assessor or the county assessor does not deny the deduction,** the county auditor shall ~~make~~ **apply** the deduction **in the amount claimed in the deduction schedule or in the amount as altered by the township assessor or the county assessor. A township assessor or a county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action.** The county auditor shall notify the **designating body and the** county property tax assessment board of appeals of all deductions ~~approved~~ **applied** under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

(1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and

(2) files the deduction ~~applications~~ **schedules** required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal ~~the~~ **a** determination of the ~~county auditor~~ **township assessor or the county assessor** under subsection (e) **to deny or alter the amount of the deduction** by ~~filing a complaint in the office of the clerk of the circuit or superior court~~ **requesting in writing a preliminary conference with the township assessor or the county assessor** not more than forty-five (45) days after the ~~county auditor~~ **township assessor or the county assessor** gives the person notice of the determination. **Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.**

~~(i) Before the county auditor acts under subsection (c), the county auditor may request that the township assessor in which the property is located review the deduction application.~~

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

SECTION 4. IC 6-1.1-12.1-5.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.6. (a) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter before July 1, 1991.

In addition to the requirements of section ~~5.5(b)~~ **5.4(b)** of this chapter, a deduction ~~application~~ **schedule** filed under section ~~5.5~~ **5.4** of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter. Failure to comply with a statement of benefits approved before July 1, 1991, may not be a basis for rejecting a deduction application.

(b) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter after June 30, 1991. In addition to the requirements of section ~~5.5(b)~~ **5.4(b)** of this chapter, a property owner who files a deduction ~~application~~ **schedule** under section ~~5.5~~ **5.4** of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter.

(c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

(1) The name and address of the taxpayer.

(2) The location and description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the deduction was granted.

(3) Any information concerning the number of employees at the facility where the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located, including estimated totals that were provided as part of the statement of benefits.

(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.

(5) Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment.

(6) Any information concerning the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) Any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

SECTION 5. IC 6-1.1-12.1-5.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.9. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 1991.

(b) Not later than forty-five (45) days after receipt of the information described in section 5.1 or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3 or 4.5 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 3 or 4.5 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

(d) If the designating body adopts a resolution terminating a deduction under subsection (c), the designating body shall immediately mail a certified copy of the resolution to:

(1) the property owner; ~~and~~

(2) the county auditor; **and**

(3) if the deduction applied under section 4.5 of this chapter, the township assessor.

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

(e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on

the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

(f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

SECTION 6. IC 6-1.1-12.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8. (a) Not later than December 31 of each year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the ~~approved~~ deduction applications that were filed under this chapter during that year **that resulted in deductions being applied under this chapter for that year.** The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and ~~granted~~ **applied** during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that were in effect under section 4.5 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2) and (a)(3) with the department of local government finance not later than December 31 of each year.

SECTION 7. IC 6-1.1-12.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. Notwithstanding any other provision of this chapter, a designating body may not approve a statement of benefits for a deduction under section 3 or 4.5 of this chapter after December 31, ~~2005.~~ **2010.**

SECTION 8. IC 6-1.1-12.1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 14. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 2004.

(b) A property owner that receives a deduction under section 3 or 4.5 of this chapter is subject to this section only if the designating body, with the consent of the property owner, incorporates this section, including the percentage to be applied by the county auditor for purposes of STEP TWO of subsection (c), into its initial approval of the property owner's statement of benefits and deduction at the time of that approval.

(c) During each year in which a property owner's property tax liability is reduced by a deduction ~~granted~~ **applied** under this chapter, the property owner shall pay to the county treasurer a fee in an amount determined by the county auditor. The county auditor shall determine the amount of the fee to be paid by the property owner according to the following formula:

STEP ONE: Determine the additional amount of property taxes that would have been paid by the property owner during the year if the deduction had not been in effect.

STEP TWO: Multiply the amount determined under STEP ONE by the percentage determined by the designating body under subsection (b), which may not exceed fifteen percent (15%). The percentage determined by the designating body remains in effect throughout the term of the deduction and may not be changed.

STEP THREE: Determine the lesser of the STEP TWO product or one hundred thousand dollars ($100,000).

(d) Fees collected under this section must be distributed to one (1) or more public or nonprofit entities established to promote economic development within the corporate limits of the city, town, or county served by the designating body. The designating body shall notify the county auditor of the entities that are to receive distributions under this section and the relative proportions of those distributions. The county auditor shall distribute fees collected under this section in accordance with the designating body's instructions.

(e) If the designating body determines that a property owner has not paid a fee imposed under this section, the designating body may adopt a resolution terminating the property owner's deduction under section 3 or 4.5 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.".

Page 1, line 15, after "2005" insert "**, and before March 2, 2009**".

Page 2, line 13, delete "ten million dollars ($10,000,000);" and insert "**two million dollars ($2,000,000);**".

Page 2, line 20, delete "100%" and insert "**50%**".

Page 2, line 21, delete "66%" and insert "**33%**".

Page 2, line 22, delete "33%" and insert "**16.5%**".

Page 3, line 10, after "2005" insert "**, and before March 2, 2009**".

Page 3, line 27, delete "ten million dollars ($10,000,000);" and insert "**two million dollars ($2,000,000);**".

Page 3, line 33, delete "100%" and insert "**50%**".

Page 3, line 34, delete "66%" and insert "**33%**".

Page 3, line 35, delete "33%" and insert "**16.5%**".

Page 6, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 10. IC 6-1.1-39-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If the fiscal body of a unit finds that:

(1) in order to promote opportunities for the gainful employment of its citizens, the attraction of a new business enterprise to the unit, the retention or expansion of a business enterprise existing within the boundaries of the unit, or the preservation or enhancement of the tax base of the unit, an area under the fiscal body's jurisdiction should be declared an economic development district;

(2) the public health and welfare of the unit will be benefited by designating the area as an economic development district;

and

(3) there has been proposed a qualified industrial development project to be located in the economic development district, with the proposal supported by:

(A) financial and economic data; and

(B) preliminary commitments by business enterprises, associations, state or federal governmental units, or similar entities that evidence a reasonable likelihood that the proposed qualified industrial development project will be initiated and accomplished;

the fiscal body may, before January 1, ~~2006,~~ **2011,** adopt an ordinance declaring the area to be an economic development district and declaring that the public health and welfare of the unit will be benefited by the designation.

(b) For the purpose of adopting an ordinance under subsection (a), it is sufficient to describe the boundaries of the area by its location in relation to public ways or streams or otherwise as determined by the fiscal body.

SECTION 11. IC 6-2.5-5-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37. Transactions involving ~~the following~~ tangible personal property are exempt from the state gross retail tax, **if the tangible personal property:**

(1) ~~Engines or chassis that are~~ **is** leased, owned, or operated by **a** professional racing ~~teams.~~ **team; and**

~~(2) All spare, replacement, and rebuilding parts or components for the engines and chassis described in subdivision (1), excluding tires and accessories.~~

(2) comprises any part of a professional motor racing vehicle, excluding tires and accessories.".

Page 6, between lines 38 and 39, begin a new line block indented and insert:

"**(7) Testing for purposes of quality control.**".

Page 8, delete lines 13 through 28, begin a new paragraph and insert:

"SECTION 15. IC 6-3.1-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. **(a)** A taxpayer who incurs Indiana qualified research expense in a particular taxable year is entitled to a research expense tax credit for the taxable year. ~~in~~

(b) For Indiana qualified research expense incurred before January 1, 2008, the amount of **the research expense tax credit is equal to** the product of ~~(1)~~ ten percent (10%) multiplied by ~~(2)~~ the remainder of:

(1) the taxpayer's Indiana qualified research expenses for the taxable year; minus

~~(A) the taxpayer's base period Indiana qualified research expenses, for taxable years beginning before January 1, 1990, or~~

~~(B)~~ **(2)** the taxpayer's base amount. ~~for taxable years beginning after December 31, 1989.~~

(c) For Indiana qualified research expense incurred after December 31, 2007, the amount of the research expense tax credit is determined under STEP FOUR of the following formula:

STEP ONE: Subtract the taxpayer's base amount from the taxpayer's Indiana qualified research expense for the taxable year.

STEP TWO: Multiply the lesser of:

(A) one million dollars ($1,000,000); or

(B) the STEP ONE remainder;

by fifteen percent (15%).

STEP THREE: If the STEP ONE remainder exceeds one million dollars ($1,000,000), multiply the amount of that excess by ten percent (10%).

STEP FOUR: Add the STEP TWO and STEP THREE products.

SECTION 16. IC 6-3.1-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for ~~fifteen (15)~~ **ten (10)** taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.".

Page 9, delete lines 3 through 42.

Delete pages 10 through 21.

Page 22, delete lines 1 through 4, begin a new paragraph and insert:

"SECTION 18. IC 6-3.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. As used in this chapter, "qualified investment capital" means debt or equity capital that is provided to a qualified Indiana business after December 31, 2003. **However, the term does not include debt that:**

(1) is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005; and

(2) is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business.

SECTION 19. IC 6-3.1-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 7. (a) The department of commerce shall certify that a business is a qualified Indiana business if the department determines that the business:

(1) has its headquarters in Indiana;

(2) is primarily focused on **professional motor vehicle racing,** commercialization of research and development, technology transfers, or the application of new technology, or is determined by the department of commerce to have

significant potential to:

(A) bring substantial capital into Indiana;

(B) create jobs;

(C) diversify the business base of Indiana; or

(D) significantly promote the purposes of this chapter in any other way;

(3) has had average annual revenues of less than ten million dollars ($10,000,000) in the two (2) years preceding the year in which the business received qualified investment capital from a taxpayer claiming a credit under this chapter;

(4) has:

(A) at least fifty percent (50%) of its employees residing in Indiana; or

(B) at least seventy-five percent (75%) of its assets located in Indiana; and

(5) is not engaged in a business involving:

(A) real estate;

(B) real estate development;

(C) insurance;

(D) professional services provided by an accountant, a lawyer, or a physician;

(E) retail sales, except when the primary purpose of the business is the development or support of electronic commerce using the Internet; or

(F) oil and gas exploration.

(b) A business shall apply to be certified as a qualified Indiana business on a form prescribed by the department of commerce.

(c) If a business is certified as a qualified Indiana business under this section, the department of commerce shall provide a copy of the certification to the investors in the qualified Indiana business for inclusion in tax filings.

(d) The department of commerce may impose an application fee of not more than two hundred dollars ($200).

SECTION 20. IC 6-3.1-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 9. (a) The total amount of tax credits that may be allowed under this chapter in a particular calendar year for qualified investment capital provided during that calendar year may not exceed ~~ten~~ **twelve** million **five hundred thousand** dollars ~~($10,000,000).~~ **($12,500,000).** The department of commerce may not certify a proposed investment plan under section 12.5 of this chapter if the proposed investment would result in the total amount of the tax credits certified for the calendar year exceeding ~~ten~~ **twelve** million **five hundred thousand** dollars ~~($10,000,000).~~ **($12,500,000).** An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the department of commerce may certify under this chapter.

(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2008. However, this subsection may not be construed to prevent a taxpayer from carrying over to a taxable year beginning after December 31, 2008, an unused tax credit attributable to an investment occurring before January 1, 2009.

SECTION 21. IC 6-3.1-24-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess **credit** over **for a period not** to **exceed** the taxpayer's following **five (5)** taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

SECTION 22. IC 6-3.1-24-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 12.5. (a) A taxpayer wishing to obtain a credit under this chapter must apply to the department of commerce for a certification that the taxpayer's proposed investment plan would qualify for a credit under this chapter.

(b) The application required under subsection (a) must include:

(1) the name and address of the taxpayer;

(2) the name and address of each proposed recipient of the taxpayer's proposed investment;

(3) the amount of the proposed investment;

(4) a copy of the certification issued under section 7 of this chapter that the proposed recipient is a qualified Indiana business; and

(5) any other information required by the department of commerce.

(c) If the department of commerce determines that:

(1) the proposed investment would qualify the taxpayer for a credit under this chapter; and

(2) the amount of the proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding ~~ten~~ **twelve** million **five hundred thousand** dollars ~~($10,000,000);~~ **($12,500,000);**

the department of commerce shall certify the taxpayer's proposed investment plan.

(d) To receive a credit under this chapter, the taxpayer must provide qualified investment capital to a qualified Indiana business according to the taxpayer's certified investment plan within two (2) years after the date on which the department of commerce certifies the investment plan.

(e) Upon making the investment required under subsection (d), the taxpayer shall provide proof of the investment to the department of commerce.

(f) Upon receiving proof of a taxpayer's investment under subsection (e), the department of commerce shall issue the taxpayer a certificate indicating that the taxpayer has fulfilled the requirements of the department of commerce and that the taxpayer is entitled to a credit under this chapter.

(g) A taxpayer forfeits the right to a tax credit attributable to an investment certified under subsection (c) if the taxpayer fails to make the proposed investment within the period required under subsection (d).

SECTION 23. IC 36-7-14-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded portion of the area added after June 30, 1995.

(6) If an allocation area established in a blighted area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded portion of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter before January 1, ~~2006,~~ **2011,** may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution before January 1, ~~2006,~~ **2011,** in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements in or serving that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) in or serving that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in or serving that allocation area under any lease entered into under IC 36-1-10.

(I) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for

purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the portion of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that portion of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 24. IC 36-7-15.1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded portion of the area added after June 30, 1995.

(6) If an allocation area established in a blighted area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded portion of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter before January 1, ~~2006,~~ **2011,** may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution before January 1, ~~2006,~~ **2011,** in accordance with the

procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements in that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) in that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(3) Before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocated area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).

(B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that portion of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 25. IC 36-7-15.1-53 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter before January 1, ~~2006,~~ **2011,** may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution before January 1, ~~2006,~~ **2011,** in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax

proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements in that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.

(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 of this chapter) in that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(3) Before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).

(B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the

enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 26. IC 6-1.1-12.1-2.3 IS REPEALED [EFFECTIVE JULY 1, 2005].".

Page 22, after line 36, begin a new paragraph and insert:

"**(e) IC 6-3.1-4-3, as amended by this act, applies to taxable years beginning after December 31, 2005. A taxpayer with a credit carryover under IC 6-3.1-4-3 on December 31, 2005, from a taxable year beginning before January 1, 2006, may carry the excess credit over for a period not to exceed the ten (10) taxable years following the taxable year in which the taxpayer was first entitled to claim the credit. This subsection shall not be construed to disallow any part of an excess credit used under IC 6-3.1-4-3, as effective before amendment by this act, for any taxable year ending before January 1, 2005.**

SECTION 28. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)] **(a) IC 6-3.1-24-7, IC 6-3.1-24-9, and IC 6-3.1-24-12.5, all as amended by this act, apply to taxable years beginning and proposed investment plans approved after December 31, 2004.**

(b) IC 6-3.1-24-12, as amended by this act, applies to taxable years beginning after December 31, 2005. A taxpayer with a credit carryover under IC 6-3.1-24-12 on December 31, 2005, from a taxable year beginning before January 1, 2006, may carry the excess credit over for a period not to exceed the five (5) taxable years following the taxable year in which the taxpayer was first entitled to claim the credit. This subsection shall not be construed to disallow any part of an excess credit used under IC 6-3.1-24-12, as effective before amendment by this act, for any taxable year ending before January 1, 2006.

SECTION 29. [EFFECTIVE JULY 1, 2005] **For purposes of IC 6-2.5-5-37, as amended by this act, all transactions shall be considered as having occurred after June 30, 2005, to the extent that delivery of the property or services constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2005, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2005, and payment for the property or services furnished in the transaction is made before July 1, 2005, notwithstanding the delivery of the property or services after June 30, 2005.**

SECTION 30. [EFFECTIVE JULY 1, 2005] **The following, all as amended by this act, apply only to property taxes first due and payable after December 31, 2006:**

(1) IC 6-1.1-12.1-5.4.

(2) IC 6-1.1-12.1-5.6.

(3) IC 6-1.1-12.1-5.9.

(4) IC 6-1.1-12.1-8.

(5) IC 6-1.1-12.1-14.

SECTION 31. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 1 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 11, Nays 0.

KENLEY, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill 496, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 9, line 28, delete ":".

Page 9, line 29, delete "(1)".

Page 9, run in lines 28 through 29.

Page 9, line 30, delete "; and" and insert "**.**".

Page 9, delete lines 31 through 32.

Page 12, between lines 13 and 14, begin a new line block indented and insert:

"**(5) With respect to a proposed bond issue or lease agreement for the acquisition, construction, renovation, improvement, expansion, or use of a building, structure, or other public improvement, the extent to which the building, structure, or public improvement will be made available to residents of the political subdivision for uses other than those planned by the political subdivision.**".

Page 12, line 14, delete "(5)" and insert "**(6)**".

Page 14, line 22, after "through" delete "a" and insert "**the Internet or other electronic means, as determined by the department.**".

Page 14, delete lines 23 through 24.

Page 15, line 2, delete "quarterly reports and".

Page 15, line 3, delete "annual summaries of".

Page 15, line 4, after "Internet" insert "**at least annually**".

Page 15, delete lines 10 through 42, begin a new paragraph and insert:

"SECTION 5. IC 6-1.1-12-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 30, 2004 (RETROACTIVE)]: Sec. 41. (a) This section does not apply to assessment years beginning after December 31, 2005.

(b) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction allowed under subsection (f).

(c) As used in this section, "county income tax council" means a council established by IC 6-3.5-6-2.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(f) An ordinance may be adopted in a county to provide that a deduction applies to the assessed value of inventory located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of inventory located in the county for the appropriate year of assessment. ~~An ordinance adopted under this subsection must be adopted before January 1 of a calendar year beginning after December 31, 2002.~~ An ordinance adopted under this section in a particular year applies:

(1) if adopted before March 31, 2004, to each subsequent assessment year ending before January 1, 2006; **and**

(2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-25 or IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after ~~March~~ **May** 30, ~~2004.~~ **2005.** However, an ordinance adopted under this section:

(1) before March 31, 2004, may be amended after March 30, 2004; **and**

(2) before June 1, 2005, may be amended after May 30, 2005;

to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

(1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;

(2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or

(3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(k) The deduction established in this section must be applied to any inventory assessment made by:

(1) an assessing official;

(2) a county property tax board of appeals; or

(3) the department of local government finance.

SECTION 6. IC 6-1.1-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A taxpayer may obtain a review by the county property tax assessment board of appeals of a county or township official's action with respect to the assessment of the taxpayer's tangible property if the official's action requires the giving of notice to the taxpayer. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for review under this section, including an informal preliminary conference with the county or township official referred to in this subsection; and

(2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) In order to appeal a current assessment and have a change in the assessment effective for the most recent assessment date, the taxpayer must request in writing a preliminary conference with the county or township official referred to in subsection (a):

(1) ~~within~~ **not later than** forty-five (45) days after notice of a change in the assessment is given to the taxpayer; or

(2) **on or before** May 10 of that year;

whichever is later. ~~The county or township official referred to in subsection (a) shall notify the county auditor that the assessment is under appeal.~~ The preliminary conference required under this subsection is a prerequisite to a review by the county property tax assessment board of appeals under subsection (i).

(c) A change in an assessment made as a result of an appeal filed:

(1) in the same year that notice of a change in the assessment is given to the taxpayer; and

(2) after the time prescribed in subsection (b);

becomes effective for the next assessment date.

(d) A taxpayer may appeal a current real property assessment in a year even if the taxpayer has not received a notice of assessment in the year. If an appeal is filed on or before May 10 of a year in which the taxpayer has not received notice of assessment, a change in the assessment resulting from the appeal is effective for the most recent assessment date. If the appeal is filed after May 10, the change becomes effective for the next assessment date.

(e) The written request for a preliminary conference that is required under subsection (b) must include the following information:

(1) The name of the taxpayer.

(2) The address and parcel or key number of the property.

(3) The address and telephone number of the taxpayer.

(f) The county or township official referred to in subsection (a) shall, ~~within~~ **not later than** thirty (30) days after the receipt of a written request for a preliminary conference, attempt to hold a preliminary conference with the taxpayer to resolve as many issues as possible by:

(1) discussing the specifics of the taxpayer's reassessment;

(2) reviewing the taxpayer's property record card;

(3) explaining to the taxpayer how the reassessment was determined;

(4) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the reassessment;

(5) noting and considering objections of the taxpayer;

(6) considering all errors alleged by the taxpayer; and

(7) otherwise educating the taxpayer about:

(A) the taxpayer's reassessment;

(B) the reassessment process; and

(C) the reassessment appeal process.

~~Within~~ **Not later than** ten (10) days after the conference, the county or township official referred to in subsection (a) shall forward to the county auditor and the county property tax assessment board of appeals the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The official and the taxpayer shall each retain a copy of the form for their records.

(g) The form submitted to the county property tax assessment board of appeals under subsection (f) must specify the following:

(1) The physical characteristics of the property in issue that bear on the assessment determination.

(2) All other facts relevant to the assessment determination.

(3) A list of the reasons the taxpayer believes that the assessment determination by the county or township official referred to in subsection (a) is incorrect.

(4) An indication of the agreement or disagreement by the official with each item listed under subdivision (3).

(5) The reasons the official believes that the assessment determination is correct.

(h) If after the conference there are no items listed on the form submitted to the county property tax assessment board of appeals under subsection (f) on which there is disagreement:

(1) the county or township official referred to in subsection (a) shall give notice to the taxpayer, the county property tax assessment board of appeals, and the county assessor of the assessment in the amount agreed to by the taxpayer and the official; and

(2) the county property tax assessment board of appeals may reserve the right to change the assessment under IC 6-1.1-13.

(i) If after the conference there are items listed in the form submitted under subsection (f) on which there is disagreement, the county property tax assessment board of appeals shall hold a hearing. The taxpayer and county or township official whose original determination is under review are parties to the proceeding before the board of appeals. Except as provided in subsections (k) and (l), the hearing must be held ~~within~~ **not later than** ninety (90) days ~~of~~ **after** the official's receipt of the taxpayer's written request for a preliminary conference under subsection (b). The taxpayer may present the taxpayer's reasons for disagreement with the assessment. The county or township official referred to in subsection (a) must present the basis for the assessment decision on these items to the board of appeals at the hearing and the reasons the taxpayer's appeal should be denied on those items. The board of appeals shall have a written record of the hearing and prepare a written statement of findings and a decision on each item ~~within~~ **not later than** sixty (60) days ~~of~~ **after** the hearing, except as provided in subsections (k) and (l).

(j) If the township assessor does not attempt to hold a preliminary conference, the taxpayer may file a request in writing with the county assessor for a hearing before the property tax assessment board of appeals. If the board determines that the county or township official referred to in subsection (a) did not attempt to hold a preliminary conference, the board shall hold a hearing. The taxpayer and the county or township official whose original determination is under review are parties to the proceeding before the board of appeals. The hearing must be held ~~within~~ **not later than** ninety (90) days ~~of~~ **after** the receipt by the board of appeals of the taxpayer's hearing request under this subsection. The requirements of subsection (i) with respect to:

(1) participation in the hearing by the taxpayer and the township assessor or county assessor; and

(2) the procedures to be followed by the county board;

apply to a hearing held under this subsection.

(k) This subsection applies to a county having a population of more than three hundred thousand (300,000). In the case of a petition filed after December 31, 2000, the county property tax assessment board of appeals shall:

(1) hold its hearing ~~within~~ **not later than** one hundred eighty (180) days instead of ninety (90) days **after the filing of the petition;** and

(2) have a written record of the hearing and prepare a written statement of findings and a decision on each item ~~within~~ **not later than** one hundred twenty (120) days after the hearing.

(l) This subsection applies to a county having a population of three hundred thousand (300,000) or less. With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the county property tax assessment board of appeals shall:

(1) hold its hearing ~~within~~ **not later than** one hundred eighty (180) days instead of ninety (90) days **after the filing of the petition;** and

(2) have a written record of the hearing and prepare a written statement of findings and a decision on each item ~~within~~ **not later than** one hundred twenty (120) days after the hearing.

(m) The county property tax assessment board of appeals:

(1) may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (i) or (j); and

(2) may amend the form submitted under subsection (f) if the board determines that the amendment is warranted.

(n) Upon receiving a request for a preliminary conference under subsection (b), the county or township official referred to in subsection (a) shall notify the county auditor in writing that the assessment is under appeal. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the appellant's name and address, the assessed value of the appealed items for the assessment date immediately preceding the assessment date for which the appeal was filed, and the assessed value of the appealed items on the most recent assessment date. If the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

SECTION 7. IC 6-1.1-15-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) The county property tax assessment board of appeals may assess the tangible property in question.

(b) The county property tax assessment board of appeals shall, by mail, give notice of the date fixed for the hearing under ~~section~~ **section 1(i)** of this chapter to the taxpayer, ~~and to~~ the township assessor, **the county assessor, and the county auditor. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the following:**

(1) For those items on which there is disagreement, the assessed value of the appealed items:

(A) for the assessment date immediately preceding the assessment date for which the appeal was filed; and

(B) on the most recent assessment date.

(2) A statement that a taxing unit receiving the notice from the county auditor under subsection (c) may:

(A) attend the hearing;

(B) offer testimony; and

(C) file an amicus curiae brief in the proceeding.

A taxing unit that receives a notice from the county auditor under subsection (c) is not a party to the appeal.

(c) If, after receiving notice of a hearing under subsection (b), the county auditor determines that the assessed value of the items on which there is disagreement constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

~~(c)~~ **(d)** The department of local government finance shall prescribe a form for use by the county property tax assessment board of appeals in processing a review of an assessment determination. The department shall issue instructions for completion of the form. The form must require the county property tax assessment board of appeals to include a record of the hearing, findings on each item, and indicate agreement or disagreement with each item that is indicated on the form submitted by the taxpayer and the county or township official under section 1(f) of this chapter. The form must also require the county property tax assessment board of appeals to indicate the issues in dispute for each item and its reasons in support of its resolution of those issues.

~~(d)~~ **(e)** After the hearing the county property tax assessment board of appeals shall, by mail, give notice of its determination to the taxpayer, the township assessor, ~~and~~ the county assessor, ~~and~~ **the county auditor, and any taxing unit entitled to notice of the hearing under subsection (c). The county property tax assessment board of appeals** shall include with the notice copies of the forms completed under subsection ~~(c).~~ **(d).**

SECTION 8. IC 6-1.1-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of a county property tax assessment board of appeals action with respect to the assessment of that taxpayer's tangible property if the county property tax assessment board of appeals' action requires the giving of notice to the taxpayer. A township assessor, county assessor, member of a county property tax assessment board of appeals, or county property tax assessment board of appeals that made the original determination under appeal under this section is a party to the review under this section to defend the determination. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the taxpayer's opportunity for review under this section; and

(2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) A township assessor or county assessor may obtain a review by the Indiana board of any assessment which the township assessor or the county assessor has made, upon which the township assessor or the county assessor has passed, or which has been made over the township assessor's or the county assessor's protest.

(c) In order to obtain a review by the Indiana board under this section, the party must file a petition for review with the appropriate county assessor ~~within~~ **not later than** thirty (30) days after the notice of the county property tax assessment board of appeals action is given to the taxpayer.

(d) The Indiana board shall prescribe the form of the petition for review of an assessment determination by the county property tax assessment board of appeals. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. An appeal of such a determination must be made on the form prescribed by the Indiana board. The form must require the petitioner to specify the following:

(1) If the county or township official held a preliminary conference under section 1(f) of this chapter, the items listed in section 1(g)(1) and 1(g)(2) of this chapter.

(2) The reasons why the petitioner believes that the assessment determination by the county property tax assessment board of appeals is erroneous.

(e) The county assessor shall transmit the petition for review to the Indiana board ~~within~~ **not later than** ten (10) days after it is filed.

(f) If a township assessor or a member of the county property tax assessment board of appeals files a petition for review under this section concerning the assessment of a taxpayer's property, the county assessor must send a copy of the petition to the taxpayer. **The county assessor shall transmit the petition for review to the Indiana board not later than ten (10) days after the petition is filed.**

SECTION 9. IC 6-1.1-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may:

(1) assign:

(A) full;

(B) limited; or

(C) no;

evidentiary value to the assessed valuation of tangible property determined by stipulation submitted as evidence of a comparable sale; and

(2) correct any errors that may have been made, and adjust the assessment in accordance with the correction.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing **and a copy of the petition filed under section 3 of this chapter,** by mail, to the taxpayer and to the appropriate township assessor, county assessor, and county auditor. **With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the following:**

(1) The assessed value of the appealed items for the assessment date immediately preceding the assessment date for which the appeal was filed under section 1 of this chapter.

(2) The action of the county property tax assessment board of appeals with respect to the appealed items.

(3) A statement that a taxing unit receiving the notice from the county auditor under subsection (c) may:

(A) attend the hearing; and

(B) offer testimony.

A taxing unit that receives a notice from the county auditor under subsection (c) is not a party to the appeal. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing. The property tax assessment board of appeals that made the determination under appeal under this section may, with the approval of the county executive, file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the property tax assessment board of appeals in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment is under appeal is subject to assessment by that taxing unit.

(c) If, after receiving notice of a hearing under subsection (b), the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

~~(b)~~ **(d)** If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

~~(c)~~ **(e)** The Indiana board shall prescribe a form for use in processing petitions for review of actions by the county property tax assessment board of appeals. The Indiana board shall issue instructions for completion of the form. The form must require the Indiana board to indicate agreement or disagreement with each item that is:

(1) if the county or township official held a preliminary conference under section 1(f) of this chapter, indicated on the petition submitted under that section by the taxpayer and the official; and

(2) included in the county property tax assessment board of appeals' findings, record, and determination under ~~section 2.1(c)~~ **section 2.1(d)** of this chapter.

The form must also require the Indiana board to indicate the issues in dispute and its reasons in support of its resolution of those issues.

~~(d)~~ **(f)** After the hearing the Indiana board shall give the petitioner, the township assessor, the county assessor, ~~and~~ the county auditor, **and the affected taxing units required to be notified under subsection (c):**

(1) notice, by mail, of its final determination;

(2) a copy of the form completed under subsection ~~(c);~~ **(e);** and

(3) notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

~~(e)~~ **(g)** Except as provided in subsection ~~(f),~~ **(h),** the Indiana board shall conduct a hearing not later than nine (9) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

~~(f)~~ **(h)** With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

~~(g)~~ **(i)** Except as provided in subsection ~~(h),~~ **(j),** the Indiana board shall make a determination not later than the later of:

(1) ninety (90) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

~~(h)~~ **(j)** With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the Indiana board shall make a determination not later than the later of:

(1) one hundred eighty (180) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

~~(i)~~ **(k)** Except as provided in subsection ~~(n),~~ **(p),** the Indiana board may not extend the final determination date under subsection ~~(g)~~ **(i)** or ~~(h)~~ **(j)** by more than one hundred eighty (180) days. If the Indiana board fails to make a final determination within the time allowed by this subsection, the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to make a final determination; or

(2) petition for judicial review under section 5(g) of this chapter.

~~(j)~~ **(l)** A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding.

Findings must be based upon a preponderance of the evidence.

~~(k)~~ **(m)** The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county property tax assessment board of appeals in support of those issues only if all persons participating in the hearing required under subsection (a) agree to the limitation. A person participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county property tax assessment board of appeals.

~~(l)~~ **(n)** The Indiana board:

(1) may require the parties to the appeal to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and

(2) may require the parties to the appeal to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

~~(m)~~ **(o)** A party to a proceeding before the Indiana board shall provide to another party to the proceeding the information described in subsection ~~(l)~~ **(n)** if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection ~~(l)~~. **(n).**

~~(n)~~ **(p)** The county assessor may:

(1) appear as an additional party if the notice of appearance is filed before the review proceeding; or

(2) with the approval of the township assessor, represent the township assessor;

in a review proceeding under this section.

~~(o)~~ **(q)** The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

SECTION 10. IC 6-1.1-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Not later than fifteen (15) days after the Indiana board gives notice of its final determination under section 4 of this chapter to the party or the maximum allowable time for the issuance of a final determination by the Indiana board under section 4 of this chapter expires, a party to the proceeding may request a rehearing before the Indiana board. The Indiana board may conduct a rehearing and affirm or modify its final determination, giving the same notices after the rehearing as are required by section 4 of this chapter. The Indiana board has fifteen (15) days after receiving a petition for a rehearing to determine whether to grant a rehearing. Failure to grant a rehearing not later than fifteen (15) days after receiving the petition shall be treated as a final determination to deny the petition. A petition for a rehearing does not toll the time in which to file a petition for judicial review unless the petition for rehearing is granted. If the Indiana board determines to rehear a final determination, the Indiana board:

(1) may conduct the additional hearings that the Indiana board determines necessary or review the written record without additional hearings; and

(2) shall issue a final determination not later than ninety (90) days after notifying the parties that the Indiana board will rehear the final determination.

If ~~of~~ the Indiana board fails to make a final determination within the time allowed under subdivision (2), the entity that initiated the petition for rehearing may take no action and wait for the Indiana board to make a final determination or petition for judicial review under subsection (g).

(b) A person may petition for judicial review of the final determination of the Indiana board regarding the assessment of that person's tangible property. The action shall be taken to the tax court under IC 4-21.5-5. Petitions for judicial review may be consolidated at the request of the appellants if it can be done in the interest of justice. The property tax assessment board of appeals that made the determination under appeal under this section may, with the approval of the county executive, file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the property tax assessment board of appeals in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. In addition, the executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment is under appeal is subject to assessment by that taxing unit. The department of local government finance may intervene in an action taken under this subsection if the interpretation of a rule of the department is at issue in the action. A township assessor, county assessor, member of a county property tax assessment board of appeals, or county property tax assessment board of appeals that made the original assessment determination under appeal under this section is a party to the review under this section to defend the determination.

(c) Except as provided in subsection (g), to initiate a proceeding for judicial review under this section, a person must take the action required by subsection (b) not later than:

(1) forty-five (45) days after the Indiana board gives the person notice of its final determination, unless a rehearing is conducted under subsection (a); or

(2) thirty (30) days after the Indiana board gives the person notice under subsection (a) of its final determination, if a rehearing is conducted under subsection (a) or the maximum time elapses for the Indiana board to make a determination under this section.

(d) The failure of the Indiana board to conduct a hearing within the period prescribed in section ~~4(f)~~ **4(h)** or ~~4(g)~~ **4(i)** of this chapter does not constitute notice to the person of an Indiana board final determination.

(e) The county executive may petition for judicial review to the tax court in the manner prescribed in this section upon request by the county assessor, ~~or~~ **the** elected township assessor, **or an affected taxing unit. If an appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.**

(f) If the county executive determines upon a request under this subsection to not appeal to the tax court:

(1) the entity described in subsection (b) that made the original determination under appeal under this section may take an appeal to the tax court in the manner prescribed in this section using funds from that entity's budget; and

(2) the petitioner may not be represented by the attorney general in an action described in subdivision (1).

(g) If the maximum time elapses for the Indiana board to give notice of its final determination under subsection (a) or section 4 of this chapter, a person may initiate a proceeding for judicial review by taking the action required by subsection (b) at any time after the maximum time elapses. If:

(1) a judicial proceeding is initiated under this subsection; and

(2) the Indiana board has not issued a determination;

the tax court shall determine the matter de novo.

SECTION 11. IC 6-1.1-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) If the assessment of tangible property is corrected by the department of local government finance or the county property tax assessment board of appeals under section 8 of this chapter, the owner of the property has a right to appeal the final determination of the corrected assessment to the Indiana board. The county executive also has a right to appeal the final determination of the reassessment by the department of local government finance or the county property tax assessment board of appeals but only upon request by the county assessor, ~~or~~ **the** elected township assessor, **or an affected taxing unit. If the appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.**

(b) An appeal under this section must be initiated in the manner prescribed in section 3 of this chapter or IC 6-1.5-5.".

Delete pages 16 through 21.

Page 22, delete lines 1 through 23.

Page 25, between lines 15 and 16, begin a new line block indented and insert:

"**(5) With respect to a proposed bond issue or lease agreement for the acquisition, construction, renovation, improvement, expansion, or use of a building, structure, or other public improvement, whether the building, structure, or public improvement will be made available to residents of the civil taxing unit for uses other than those planned by the civil taxing unit.**".

Page 25, line 16, delete "(5)" and insert "**(6)**".

Page 27, between lines 31 and 32, begin a new line block indented and insert:

"**(5) With respect to a proposed bond issue or lease agreement for the acquisition, construction, renovation, improvement, expansion, or use of a building, structure, or other public improvement, whether the building, structure, or public improvement will be made available to residents of the school corporation for uses other than those planned by the school corporation.**".

Page 27, line 32, delete "(5)" and insert "**(6)**".

Page 28, delete lines 22 through 42, begin a new paragraph and insert:

"SECTION 15. IC 6-1.1-20-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.2. If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in section 3.1(1)(B) of this chapter.

A notice under this subdivision must include a statement that any owners of real property **or tenants of residential property** within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property **or a tenant or tenants of residential property** within the political subdivision. **A petition or remonstrance signed by a tenant of residential property must be accompanied by an affidavit setting forth the name of the landlord and the property address of the tenant's leasehold.** Each signature on a petition must be dated and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county auditor under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition, ~~and~~ remonstrance, **and affidavit** forms to be used solely in the petition and remonstrance process described in this section. The county auditor shall issue to an owner or owners of real property **or a tenant or tenants of residential property** within the political subdivision the number of petition or remonstrance forms requested by the owner or owners **or tenant or tenants.** Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property **or tenants of residential property;**

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;

(D) govern the closing date for the petition and remonstrance period; and

(E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may not be required to identify

themselves and may be allowed to pick up additional copies to distribute to other property owners **or tenants of residential property.** The county auditor may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county auditor shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions, ~~and~~ remonstrances, **and affidavits** must be verified in the manner prescribed by the state board of accounts and filed with the county auditor within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county auditor must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within fifteen (15) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county auditor may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property **and the number of petitioners and remonstrators who are tenants of residential property** within the political subdivision.

(6) If a greater number of owners of real property **plus tenants of residential property** within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county auditor's certificate under subdivision (5). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(7) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property **and tenants of residential property** within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance required by IC 6-1.1-18.5-8 or IC 6-1.1-19-8.

SECTION 16. IC 6-1.1-20.6 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Chapter 20.6. Property Tax Credits

Sec. 1. As used in this chapter:

(1) "2002 liability" means the amount of property taxes imposed on a homestead first due and payable in 2002;

(2) "2003 increase" means the amount by which the 2003 liability exceeds the 2002 liability;

(3) "2003 liability" means the amount of property taxes imposed on a homestead first due and payable in 2003;

(4) "fiscal body" has the meaning set forth in IC 36-1-2-6;

(5) "homestead" has the meaning set forth in IC 6-1.1-20.9-1;

(6) "property tax liability" means liability for the tax imposed on property under this article determined after application of all credits and deductions under this article, except a credit under this chapter, but does not include any interest or penalty imposed under this article; and

(7) "qualifying homestead" means a homestead with respect to which:

(A) the 2003 increase:

(i) exceeds the 2002 liability; and

(ii) is at least five hundred dollars ($500); and

(B) the person liable for the 2003 liability is the same person liable for the property taxes for the year in which a credit under this chapter applies.

Sec. 2. Subject to section 6 of this chapter:

(1) for property taxes first due and payable in 2005, 2006, 2007, and 2008, a county fiscal body may adopt an ordinance to:

(A) apply the credit under section 3 of this chapter; or

(B) apply the credit under section 4 of this chapter; and

(2) for property taxes first due and payable in a year that follows 2008, a county fiscal body may adopt an ordinance to apply the credit under section 3 of this chapter.

Sec. 3. If a credit is authorized under section 2(1)(A) or 2(2) of this chapter for property taxes first due and payable in a calendar year:

(1) a person is entitled to a credit against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's tangible property located in the county; and

(2) the amount of the credit is the amount by which the person's property tax liability attributable to the person's tangible property for property taxes first due and payable in that calendar year exceeds two percent (2%) of the gross assessed value that is the basis for determination of property taxes on the tangible property for property taxes first due and payable in that calendar year.

Sec. 4. If a credit is authorized under section 2(1)(B) of this chapter for property taxes first due and payable in a calendar year, a person is entitled to a credit against the person's property tax liability with respect to the person's qualifying homestead located in the county in the amount of the product of:

(1) the 2003 increase; multiplied by

(2) the percentage from the following table corresponding to the year in which property taxes are first due and payable:

YEAR	PERCENTAGE
2005	80%
2006	60%
2007	40%
2008	20%

Sec. 5. (a) A person is not required to file an application for the credit under this chapter. The county auditor shall:

(1) identify property in the county eligible for a credit under this chapter; and

(2) apply the credit.

(b) The county auditor and county treasurer may apply the credit under this chapter for property taxes first due and payable in 2005 by adjustment of the statement for the property tax installment due November 10, 2005.

Sec. 6. (a) A county fiscal body adopting an ordinance to apply a credit under this chapter must adopt the ordinance before July 1 of a calendar year to authorize the credit for property taxes first due and payable in the immediately succeeding calendar year.

(b) An ordinance adopted under section 2(1) of this chapter may identify which of the credits applies for one (1) or more of the years referred to in section 2(1) of this chapter.

(c) An ordinance adopted under section 2(2) of this chapter may apply the credit permitted in section 2(2) of this chapter for one (1) or more of the years referred to in section 2(2) of this chapter.

(d) A county fiscal body may amend an ordinance adopted under this chapter before July 1 of a year to change the application of the credits under this chapter for subsequent years.

Sec. 7. (a) A political subdivision may use any source of revenue available to the political subdivision to offset a revenue loss that would otherwise result from the application of credits under this chapter.

(b) A political subdivision may not appeal for an excessive levy in a year succeeding a year in which a credit under this chapter applies to make up for a revenue loss that results from the application of the credit.".

Page 29, delete lines 1 through 7.

Page 29, line 12, delete "the information in" and insert "**each political subdivision's total amount of expenditures per person during the immediately preceding calendar year, based on the political subdivision's population determined by the most recent federal decennial census;**".

Page 29, delete line 13.

Page 29, line 14, delete "information" and insert "**report**".

Page 29, line 15, after "finance;" insert "**and**".

Page 29, line 19, delete "; and" and insert "**.**".

Page 29, delete lines 20 through 31.

Page 29, line 32, delete "(c)" and insert "**(b)**".

Page 29, line 34, delete "under subsection (b)".

Page 29, delete lines 36 through 42, begin a new paragraph and insert:

"SECTION 18. IC 6-1.5-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) After receiving a petition for review that is filed under a statute listed in section 1(a) of this chapter, the Indiana board shall, at its earliest opportunity:

(1) conduct a hearing; or

(2) cause a hearing to be conducted by an administrative law judge.

The Indiana board may determine to conduct the hearing under subdivision (1) on its own motion or on request of a party to the appeal.

(b) In its resolution of a petition, the Indiana board may:

(1) assign:

(A) full;

(B) limited; or

(C) no;

evidentiary value to the assessed valuation of tangible property determined by stipulation submitted as evidence of a comparable sale; and

(2) correct any errors that may have been made, and adjust the assessment in accordance with the correction.

(c) The Indiana board shall give notice of the date fixed for the hearing **and send a copy of the petition filed under section 1 of this chapter,** by mail, to:

(1) the taxpayer;

(2) the department of local government finance; and

(3) the appropriate:

(A) township assessor;

(B) county assessor; and

(C) county auditor.

(d) With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notices required under subsection (c) must include the following:

(1) The assessed value of the appealed items for the assessment date immediately preceding the assessment date for which the appeal was filed under section 1 of this chapter.

(2) The action of the department of local government finance with respect to the appealed items.

(3) A statement that a taxing unit receiving the notice from the county auditor under subsection (e) may:

(A) attend the hearing;

(B) offer testimony; and

(C) file an amicus curiae brief in the proceeding.

A taxing unit that receives a notice from the county auditor under subsection (e) is not a party to the appeal.

(e) If, after receiving notice of a hearing under subsection (c), the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

~~(d)~~ **(f)** The Indiana board shall give the notices required under subsection (c) at least thirty (30) days before the day fixed for the hearing.

SECTION 19. IC 6-1.5-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. After the hearing, the Indiana board shall give the petitioner, the township assessor, the county assessor, the county auditor, **the affected taxing units required to be notified under section 2(e) of this chapter,** and the department of local government finance:

(1) notice, by mail, of its final determination, findings of fact, and conclusions of law; and

(2) notice of the procedures the petitioner or the department of local government finance must follow in order to obtain court review of the final determination of the Indiana board.".

Page 30, delete lines 1 through 25.

Page 30, delete lines 37 through 38.

Page 30, line 39, delete "(6)" and insert "**(5)**".

Page 30, line 40, delete "(7)" and insert "**(6)**".

Page 30, line 42, delete "(8)" and insert "**(7)**".

Page 31, line 1, delete "(9)" and insert "**(8)**".

Page 32, line 37, strike "at least one dollar and fifty cents ($1.50) of".

Page 32, line 38, strike "for every three".

Page 32, line 39, strike "dollars ($3) in credits provided under this chapter." and insert "**in an amount determined by the corporation.**".

Page 33, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 24. IC 6-3.1-13-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The ~~board~~ **corporation** shall determine the amount and duration of a tax credit awarded under this chapter. The duration of the credit may not exceed ten (10) taxable years. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which case the ~~excess shall be refunded to the~~ taxpayer **may carry the excess credit over for a period not to exceed the taxpayer's following two (2) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or refund of any unused credit amount.**

(b) For state fiscal years 2004, ~~and~~ 2005, **2006, and 2007,** the aggregate amount of credits awarded under this chapter for projects to retain existing jobs in Indiana may not exceed five million dollars ($5,000,000) per year.

SECTION 25. IC 6-3.1-13-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. In the case of a credit awarded for a project to create new jobs in Indiana, the ~~board~~ **corporation** shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

(1) A detailed description of the project that is the subject of the agreement.

(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.

(3) The credit amount that will be allowed for each taxable year.

(4) A requirement that the taxpayer shall maintain operations at the project location for at least two (2) ~~times the number of~~ years ~~as the term of~~ **following the last taxable year in which the applicant claims** the tax credit **or carries over an unused portion of the tax credit under section 18 of this chapter.** A taxpayer is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.

(6) A requirement that the taxpayer shall annually report to the ~~board~~ **corporation** the number of new employees who are performing jobs not previously performed by an employee, the new income tax revenue withheld in connection with the new employees, and any other information the director needs to perform the director's duties under this chapter.

(7) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (6), and after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(8) A requirement that the taxpayer shall provide written notification to the director and the ~~board~~ **corporation** not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(9) Any other performance conditions that the ~~board~~ **corporation** determines are appropriate.

SECTION 26. IC 6-3.1-13-19.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19.5. (a) In the case of a credit awarded for a project to retain existing jobs in Indiana, the ~~board~~ **corporation** shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

(1) A detailed description of the business that is the subject of the agreement.

(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.

(3) The credit amount that will be allowed for each taxable year.

(4) A requirement that the applicant shall maintain operations at the project location for at least two (2) ~~times the number of~~ years ~~as the term of~~ **following the last taxable year in which the applicant claims** the tax credit **or carries over an unused portion of the tax credit under section 18 of this chapter.** An applicant is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A requirement that the applicant shall annually report the following to the ~~board.~~ **corporation:**

(A) The number of employees who are employed in Indiana by the applicant.

(B) The compensation (including benefits) paid to the applicant's employees in Indiana.

(C) The amount of the:

(i) facility improvements;

(ii) equipment and machinery upgrades, repairs, or retrofits; or

(iii) other direct business related investments, including training.

(6) A requirement that the applicant shall provide written notification to the director and the ~~board~~ **corporation** not more than thirty (30) days after the applicant makes or receives a proposal that would transfer the applicant's state tax liability

obligations to a successor taxpayer.

(7) A requirement that the chief executive officer of the company applying for a credit under this chapter must verify under penalty of perjury that the disparity between projected costs of the applicant's project in Indiana compared with the costs for the project in a competing site is real and actual.

(8) Any other performance conditions that the ~~board~~ **corporation** determines are appropriate.

(b) An agreement between an applicant and the ~~board~~ **corporation** must be submitted to the budget committee for review and must be approved by the budget agency before an applicant is awarded a credit under this chapter for a project to retain existing jobs in Indiana.".

Page 34, delete lines 7 through 42, begin a new paragraph and insert:

"SECTION 28. IC 6-3.1-26-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. ~~(a)~~ The total amount of a tax credit claimed **for a taxable year** under this chapter equals ~~thirty~~ **ten** percent ~~(30%)~~ **(10%)** of the amount of a qualified investment made by the taxpayer in Indiana **during that taxable year.**

~~(b) In the taxable year in which a taxpayer makes a qualified investment, the taxpayer may claim a credit under this chapter in an amount equal to the lesser of:~~

~~(1) thirty percent (30%) of the amount of the qualified investment; or~~

~~(2) the taxpayer's state tax liability growth.~~

The taxpayer may carry forward any unused credit.

SECTION 29. IC 6-3.1-26-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) A taxpayer may carry forward an unused credit for not more than ~~nine (9)~~ **five (5)** consecutive taxable years beginning with the taxable year after the taxable year in which the taxpayer makes the qualified investment.

(b) The amount that a taxpayer may carry forward to a particular taxable year under this section equals the ~~lesser of the following:~~

~~(1) The taxpayer's state tax liability growth.~~

~~(2) The~~ unused part of a credit allowed under this chapter.

(c) A taxpayer may:

(1) claim a tax credit under this chapter for a qualified investment; and

(2) carry forward a remainder for one (1) or more different qualified investments;

in the same taxable year.

(d) The total amount of each tax credit claimed under this chapter may not exceed ~~thirty~~ **ten** percent ~~(30%)~~ **(10%)** of the qualified investment for which the tax credit is claimed.

SECTION 30. IC 6-3.1-26-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. If a pass through entity does not have state tax liability ~~growth~~ against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

SECTION 31. IC 6-3.1-26-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. After receipt of an application, the ~~board~~ **corporation** may enter into an agreement with the applicant for a credit under this chapter if the ~~board~~ **corporation** determines that all the following conditions exist:

~~(1) The applicant has conducted business in Indiana for at least one (1) year immediately preceding the date the application is received.~~

~~(2)~~ **(1)** The applicant's project will raise the total earnings of employees of the applicant in Indiana.

~~(3)~~ **(2)** The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana.

~~(4)~~ **(3)** Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of employees in Indiana.

~~(5)~~ **(4)** Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

~~(6)~~ **(5)** The credit is not prohibited by section 19 of this chapter.

~~(7)~~ **(6)** The average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

SECTION 32. IC 6-3.5-7-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 31, 2005 (RETROACTIVE)]: Sec. 25. (a) This section applies only to a county that has adopted an ordinance under IC 6-1.1-12-41(f).

(b) For purposes of this section, "imposing entity" means the entity that adopted the ordinance under IC 6-1.1-12-41(f).

(c) The imposing entity may adopt an ordinance to provide for the use of the certified distribution described in section 16(c) of this chapter for the purpose provided in subsection (e). A county income tax council that adopts an ordinance under this subsection shall use the procedures set forth in IC 6-3.5-6 concerning the adoption of an ordinance for the imposition of the county option income tax. Except as provided in subsection (j), an ordinance must be adopted under this subsection after January 1 but before ~~April~~ **June** 1 of a calendar year. The ordinance may provide for an additional rate under section 5(p) of this chapter. An ordinance adopted under this subsection:

(1) first applies to the certified distribution described in section 16(c) of this chapter made in the calendar year that immediately succeeds the calendar year in which the ordinance is adopted;

(2) must specify the calendar years to which the ordinance applies; and

(3) must specify that the certified distribution must be used to provide for:

(A) uniformly applied increased homestead credits as provided in subsection (f); or

(B) allocated increased homestead credits as provided in subsection (h).

An ordinance adopted under this subsection may be combined with an ordinance adopted under section 26 of this chapter.

(d) If an ordinance is adopted under subsection (c), the percentage of the certified distribution specified in the ordinance for use for the purpose provided in subsection (e) shall be:

(1) retained by the county auditor under subsection ~~(g);~~ **(i);** and

(2) used for the purpose provided in subsection (e) instead of the purposes specified in the capital improvement plans adopted under section 15 of this chapter.

(e) If an ordinance is adopted under subsection (c), the imposing entity shall use the certified distribution described in section 16(c) of this chapter to increase the homestead credit allowed in the county under IC 6-1.1-20.9 for a year to offset the effect on homesteads in the county resulting from a county deduction for inventory under IC 6-1.1-12-41.

(f) If the imposing entity specifies the application of uniform increased homestead credits under subsection (c)(3)(A), the county auditor shall, for each calendar year in which an increased homestead credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit percentage for the year;

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the increased percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(g) The increased percentage of homestead credit determined by the county auditor under subsection (f) applies uniformly in the county in the calendar year for which the increased percentage is determined.

(h) If the imposing entity specifies the application of allocated increased homestead credits under subsection (c)(3)(B), the county auditor shall, for each calendar year in which an increased homestead credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit for the year; and

(2) an increased percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of increased homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-41 in the taxing district for the immediately preceding year's assessment date bears to the total inventory assessed value deducted under IC 6-1.1-12-41 in the county for the immediately preceding year's assessment date.

(i) The county auditor shall retain from the payments of the county's certified distribution an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. The money shall be distributed to the civil taxing units and school corporations of the county:

(1) as if the money were from property tax collections; and

(2) in such a manner that no civil taxing unit or school corporation will suffer a net revenue loss because of the allowance of an increased homestead credit.

(j) An entity authorized to adopt:

(1) an ordinance under subsection (c); and

(2) an ordinance under IC 6-1.1-12-41(f);

may consolidate the two (2) ordinances. The limitation under subsection (c) that an ordinance must be adopted after January 1 of a calendar year does not apply if a consolidated ordinance is adopted under this subsection. **However, notwithstanding subsection (c)(1), the ordinance must state that it first applies to certified distributions in the calendar year in which property taxes are initially affected by the deduction under IC 6-1.1-12-41.**

SECTION 33. IC 6-3.5-7-25.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 25.5. Subject to the approval of the imposing entity, the county auditor may adjust the increased percentage of homestead credit determined under section 25(h)(2) of this chapter if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the homesteads in the county.**".

Delete page 35.

Page 36, delete lines 1 through 16.

Page 38, line 14, delete "The" and insert "**Subject to the approval of the imposing entity, the**".

Page 40, delete lines 10 through 17.

Page 48, line 39, after "Federal" insert "**tax**".

Page 48, line 39, delete "numbers" and insert "**number**".

Page 49, line 27, delete "sales" and insert "**gross retail, use,**".

Page 49, delete lines 33 through 42.

Delete pages 50 through 65.

Page 66, delete lines 1 through 5.

Page 67, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 46. IC 36-7-32-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 6.5. As used in this chapter, "gross retail incremental amount" means the remainder of:**

(1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the territory comprising a certified technology park during a state fiscal year; minus

(2) the gross retail base period amount;

as determined by the department of state revenue.".

Page 67, delete lines 40 through 41, begin a new paragraph and insert:

"SECTION 48. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 5-3-1-3; IC 6-3.1-26-10.".

Page 68, line 5, delete "and".

Page 68, line 5, after "IC 6-3.1-13-17," insert "**IC 6-3.1-13-19, and IC 6-3.1-13-19.5,**".

Page 68, line 6, after "by the" insert "**Indiana**".

Page 68, line 7, delete "for a growing economy board" and insert "**corporation under IC 6-3.1-13**".

Page 68, line 8, after "2005." insert "**Credits awarded under IC 6-3.1-13 before July 1, 2005, remain subject to the provisions of IC 6-3.1-13 as in effect on June 30, 2005.**".

Page 68, between lines 16 and 17, begin a new paragraph and insert:

"**(d) IC 6-3.1-26-14, IC 6-3.1-26-15, IC 6-3.1-26-16, and IC 6-3.1-26-18, all as amended by this act, apply only to credits awarded by the Indiana economic development corporation under IC 6-3.1-26 after June 30, 2005. Credits awarded under**

IC 6-3.1-26 before July 1, 2005, remain subject to the provisions of IC 6-3.1-26 as in effect on June 30, 2005.".

Page 68, line 17, delete "(d)" and insert "**(e)**".

Page 68, line 23, delete "(e)" and insert "**(f)**".

Page 68, line 26, delete "(f)" and insert "**(g)**".

Page 68, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 51. [EFFECTIVE UPON PASSAGE] **(a) An ordinance that:**

(1) is adopted under IC 6-1.1-12-41 or IC 6-3.5-7-25 after March 30, 2004, and before the passage of this act; and

(2) would have been valid if this act had been enacted before the time the ordinance was adopted;

shall be treated as valid to the same extent as if this act had been enacted before the ordinance was adopted.

(b) The department of local government finance may adopt interim rules in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1 to govern the determination of deductions, the processing of personal property tax returns, and the calculation of the assessed valuation of each taxpayer in cases in which:

(1) the personal property of the taxpayer is eligible for a deduction under IC 6-1.1-12-41, as amended by this act, as the result of the adoption of an ordinance under IC 6-1.1-12-41, as amended by this act, after March 30, 2004; and

(2) the taxpayer did not take the deduction on the taxpayer's personal property tax return.

The rules may include special procedures and filing dates for filing an amended return.

(c) An interim rule adopted under subsection (b) expires on the earliest of the following:

(1) The date that the department of local government finance adopts an interim rule under subsection (b) to supersede a rule previously adopted under subsection (b).

(2) The date that the department of local government finance adopts a permanent rule under IC 4-22-2 to supersede a rule previously adopted under subsection (b).

(3) The date that the department of local government finance adopts under subsection (b) or IC 4-22-2 a repeal of a rule previously adopted under subsection (b).

(4) December 31, 2006.".

Page 68, delete line 34.

Page 68, line 35, delete "(2) IC 6-3.5-7-25, as amended by this act;" and insert "**(1) IC 6-3.5-7-25.5, as added by this act;**".

Page 68, line 36, delete "(3)" and insert "**(2)**".

Page 69, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 55. [EFFECTIVE JULY 1, 2005] **IC 6-1.1-20-3.2, as amended by this act, does not apply to a petition and remonstrance procedure that is commenced before July 1, 2005.**

SECTION 56. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-20.6, as added by this act, applies only to property taxes first due and payable after December 31, 2004.**

SECTION 57. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-1.1-1 apply throughout this SECTION.**

(b) For purposes of this SECTION:

(1) "fiscal body" has the meaning set forth in IC 36-1-2-6;

(2) "settlement amount" means an amount that:

(A) exceeds ten million dollars ($10,000,000); and

(B) is received by the county auditor on behalf of a county and the political subdivisions in the county in 2005 or 2006 as a result of the settlement of one (1) or more cases before the Indiana tax court concerning the property tax assessments of tangible property that are the basis for determination of property taxes payable by a taxpayer in the county for one (1) or more calendar years that precede 2006; and

(3) "subsequent year's taxes" means the property taxes imposed by a political subdivision on tangible property in the political subdivision, other than property taxes imposed on tangible property for which a taxpayer that paid all or part of the settlement amount is liable, for property taxes first due and payable in the calendar year that immediately succeeds the calendar year in which the settlement amount is received.

(c) The fiscal body of a political subdivision may adopt an ordinance:

(1) before September 1, 2005, to direct the county auditor to use the part of a settlement amount attributable to the political subdivision to apply a credit against the subsequent year's taxes for property taxes first due and payable in 2006; and

(2) before September 1, 2006, to direct the county auditor to use the part of a settlement amount attributable to the political subdivision to apply a credit against the subsequent year's taxes for property taxes first due and payable in 2007.

The total amount of the credits applied under this subsection must equal the part of the settlement amount received by the political subdivision in the immediately preceding calendar year. The settlement amount received must be used to replace the amount of property tax revenue lost due to the allowance of the credit in the political subdivision. The county auditor shall retain the settlement amount and distribute the money to the political subdivisions in the county as though the money were property tax collections and in such a manner that a political subdivision does not suffer a net revenue loss due to the allowance of the credit under this subsection.

(d) A credit under subsection (c) applies as a percentage of the liability for property taxes before the application of the credits under IC 6-1.1-20.9 and IC 6-1.1-21. The percentage applicable in a taxing district that is attributable to a political subdivision in which the taxing district is located is determined under the last STEP of the following STEPS:

STEP ONE: Determine the total assessed value of tangible property (after the application of all applicable deductions under IC 6-1.1), other than tangible property for which a taxpayer that paid all or part of the settlement amount is liable for property taxes, in the political subdivision that is the basis for the subsequent year's taxes.

STEP TWO: Determine the total assessed value of tangible property (after the application of all applicable deductions under IC 6-1.1), other than tangible property for which a taxpayer that paid all or part of the settlement amount is

liable for property taxes, in the taxing district that constitutes a part of the total assessed value that is the basis for the subsequent year's taxes.

STEP THREE: Determine the quotient of the total assessed value determined under STEP TWO divided by the total assessed value determined under STEP ONE.

STEP FOUR: Determine the product of:

(A) the part of a settlement amount attributable to the political subdivision; multiplied by

(B) the quotient determined in STEP THREE.

STEP FIVE: Determine the total property tax levy in the taxing district for the subsequent year's taxes, before the application of the credits under IC 6-1.1-20.9 and IC 6-1.1-21.

STEP SIX: Determine the quotient of:

(A) the product determined under STEP FOUR; divided by

(B) the remainder determined under STEP FIVE;

expressed as a percentage.

The total credit percentage applicable in a taxing district is the sum of the percentages determined under STEP SIX with respect to all political subdivisions in which the taxing district is located.

(e) If a fiscal body adopts an ordinance under subsection (c):

(1) the part of the settlement amount attributable to the political subdivision is set aside in a separate fund of the political subdivision for the sole purpose of dedicating the money in the fund to providing credits under subsection (c);

(2) money in the separate fund does not become part of the political subdivision's levy excess fund under IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7; and

(3) for the year in which the subsequent year's taxes are first due and payable, the total county tax levy under IC 6-1.1-21-2(g) is reduced by the part of the settlement amount attributable to the political subdivision that, notwithstanding subdivisions (1) and (2), would have been deposited in the political subdivision's levy excess fund under IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7.

(f) This SECTION expires January 1, 2008.".

Renumber all SECTIONS consecutively.

(Reference is to SB 496 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 11, Nays 0.

KENLEY, Chair

Report adopted.

REPORT OF THE PRESIDENT PRO TEMPORE

Madam President: Pursuant to Senate Rule 65(b), I hereby report that Senate Resolution 9, currently assigned to the Committee on Commerce and Transportation, be reassigned to the Committee on Economic Development and Technology.

GARTON

RESOLUTIONS ON FIRST READING

Senate Resolution 12

Senate Resolution 12, introduced by Senator Howard:

A SENATE RESOLUTION memorializing Miss Frances Connecticut Stout, distinguished citizen and active member of the City of Indianapolis.

Whereas, Miss Stout, age 97, passed away January 19, 2004, in Indianapolis, Indiana;

Whereas, Miss Stout, retired in 1972 from the Indianapolis Public School system, having taught English and Spanish and having served as the head of the Foreign Language Department for 15 years at Crispus Attucks High School;

Whereas, Miss Stout, active in civic and educational affairs, was one of the founders of the Alpha Mu Omega Chapter of Alpha Kappa Alpha Sorority and a member for 80 years, was a member of the Board of Directors for Alpha Home of Aged serving as Vice President, Secretary and Treasurer, was affiliated with the Indiana African American Genealogical Group, Church Women United, Council of Elders of the Multicultural Program of the Indianapolis Public Schools, National Council of Negro Women, AARP, Indiana Retired Teachers Association, Indiana Foreign Language Teachers Association, Indiana Historical Society and the Historic Foundation of Indiana;

Whereas, Miss Stout was an active member of the Bethel Methodist Episcopal Church, the oldest African American Church in Indianapolis, serving in many roles including: Church School Teacher, pianist and treasurer; member and secretary of the Board of Stewards; Class Leader; member and director of Promotion and Education for the Women's Missionary Society; Member of the Lay Organization; Church Historian and Archivist; and

Whereas, In recognition of Miss Stout's many achievements she was awarded with numerous citations and awards including: citation from Bethel A.M.E. Church for efforts toward having the church placed on the National Historic Register; a Lifetime award from the Center for Leadership Development for Achievement in the fields of Education and Professions; Volunteer Service Awards from the Chamber of Commerce, Black Expo and the directors of Flanner House and a Lifetime Achievement Award from the Indianapolis Chapter of Links: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana:

SECTION 1. That the State Senate hereby memorializes this great woman who gave tirelessly of herself to the Indianapolis, Indiana community.

SECTION 2. That the Principal Clerk of the Senate transmit copies of this resolution to Reverend John L. Lambert, Pastor of Bethel African Methodist Episcopal Church.

The resolution was read in full and adopted by standing vote.

MESSAGE FROM THE GOVERNOR

Madam President and Members of the Senate: On February 9, 2005, I signed the following enrolled acts into law: HEA 1003.

MITCHELL E. DANIELS, JR.
Governor

RESOLUTIONS ON SECOND READING

Senate Joint Resolution 10

Senator Lawson called up Senate Joint Resolution 10 for second reading. The resolution was read a second time by title, and there being no amendments was ordered engrossed.

MESSAGE FROM THE HOUSE

Madam President: I am directed by the House to inform the Senate that the House has passed Engrossed House Bills 1268 and 1402 and the same are herewith transmitted to the Senate for further action.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Madam President: I am directed by the House to inform the Senate that the House has passed House Concurrent Resolution 13 and the same is herewith transmitted for further action.

M. CAROLINE SPOTTS
Principal Clerk of the House

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill 69, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 33-28-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The jury commissioners shall immediately, from the ~~names of legal voters and citizens of the United States on the latest tax duplicate and the tax schedules of the county,~~ **lists approved by the supreme court,** examine for the purpose of determining the sex, age, and identity of prospective jurors, and proceed to select and deposit, in a box furnished by the clerk for that purpose, the names, written on separate slips of paper of uniform shape, size, and color, of twice as many persons as will be required by law for grand and petit jurors in the courts of the county, for all the terms of the courts, to begin with the following calendar year.

(b) Each selection shall be made as nearly as possible in proportion to the population of each county commissioner's district. In making the selections, the jury commissioners shall in all things observe their oaths. The jury commissioners shall not select the name of any person who is to them known to be interested in or has case pending that may be tried by a jury to be drawn from the names so selected.

(c) The jury commissioners shall deliver the locked box to the clerk of the circuit court, after having deposited into the box the names as directed under this section. The key shall be retained by one (1) of the jury commissioners, who may not be an adherent of the same political party as the clerk.

(d) In a county containing a consolidated city, the jury commissioners may, upon an order made by the judge of the circuit court and entered in the records of the circuit court of the county, make the selections and deposits required under this section monthly instead of annually. The jury commissioners may omit the personal examination of prospective jurors, the examination of ~~voters~~ **the** lists **approved by the supreme court**, and make selection without reference to county commissioners' districts. The judge of the circuit court in a county containing a consolidated city may do the following:

(1) Appoint a secretary for the jury commissioners, and sufficient stenographic aid and clerical help to properly perform the duties of the jury commissioners.

(2) Fix the salaries of the commissioners, the secretary, and stenographic and clerical employees.

(3) Provide office quarters and necessary supplies for the jury commissioners and their employees.

The expenses incurred under this subsection shall be paid for from the treasury of the county upon the order of the court.

(e) Subject to appropriations made by the county fiscal body, the jury commissioners may use a computerized jury selection system. However, the system used for the selection system must be fair and may not violate the rights of persons with respect to the impartial and random selection of prospective jurors. The jurors selected under the computerized jury selection system must be eligible for selection under this chapter. The commissioners shall deliver the names of the individuals selected to the clerk of the circuit court. The commissioners shall observe their oath in all activities taken under this subsection.

(f) ~~The jury commissioners may supplement voter registration lists and tax schedules under subsection (a) with names from lists of persons residing in the county that the jury commissioners may designate as necessary to obtain a cross-section of the population of each county commissioner's district.~~ The lists designated by the jury commissioners under this subsection must be used for the selection of jurors throughout the entire county.

~~(g) The supplemental sources designated under subsection (f) may consist of such lists as those of utility customers, persons filing income tax returns, motor vehicle registrations, city directories, telephone directories, and driver's licenses. These supplemental lists may not be substituted for the voter registration list. The jury commissioners may not draw more names from supplemental sources than are drawn from the voter registration lists and tax schedules.~~

SECTION 2. IC 33-28-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "master list" means:

(1) a serially printed list;
(2) a magnetic tape;
(3) an addressograph file;
(4) a punched card file;
(5) a computer record; or
(6) another form of record determined by the supervising judge to be consistent with this chapter;

that fosters the policy and protects the rights secured by this chapter, contains ~~all current, up-to-date voter registration lists for each precinct in the county, and is supplemented by names derived from other sources identified under this chapter.~~ **the current lists approved by the supreme court.**

SECTION 3. IC 33-28-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) The jury commissioner shall compile and maintain a master list consisting of ~~all the voter registration lists for the county, supplemented with names from other lists of persons resident in the county that the supreme court shall periodically designate as necessary to obtain the broadest cross-section of the county, having determined that use of supplemental lists is feasible. The supreme court may designate supplemental lists for use by the courts periodically in a manner that fosters the policy and protects the rights secured by this chapter. Supplemental sources may consist of lists of:~~

~~(1) utility customers;~~
~~(2) property taxpayers; and~~
~~(3) persons filing income tax returns, motor vehicle registrations, city directories, telephone directories, and driver's licenses.~~

~~Supplemental lists may not be substituted for the voter registration list.~~ **the lists approved by the supreme court.** In ~~drawing names from supplemental lists,~~ **compiling the jury pool,** the jury commissioner shall avoid duplication of names.

(b) A person who has custody, possession, or control of any of the lists making up or used in compiling the master ~~list, including those designated under subsection (a) by the supreme court as supplementary sources of names,~~ **list** shall furnish the master list to the jury commissioner for inspection, reproduction, and copying at all reasonable times.

(c) When a copy of a list maintained by a public official is furnished, only the actual cost of the copy may be charged to the courts.

(d) The master list of names is open to the public for examination as a public record. However, the source of names and any information other than the names contained in the source is confidential.

SECTION 4. IC 33-28-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. As used in this chapter, "master list" means ~~all current, up-to-date voter registration lists for each precinct in the county supplemented with names from other sources prescribed pursuant to this chapter,~~ **the current lists approved by the supreme court** in order to foster the policy and protect the rights secured by this chapter. The master list may be in the form of a serially printed list, a magnetic tape, an addressograph file, punched cards, or such other form considered by the chief judge to be consistent with this chapter.

SECTION 5. IC 33-28-6-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) The jury commissioner shall compile and maintain a master list consisting of ~~all the voter registration lists for the county, supplemented with names from other lists of persons resident in the county that the supreme court shall periodically designate as necessary to obtain the broadest cross-section of the county, having determined that use of the supplemental lists is feasible. The supreme court shall exercise the authority to designate supplemental lists periodically in order to foster the policy and protect the rights secured by this article. The supplemental sources may include lists of utility customers, property taxpayers, and persons filing income tax returns, motor vehicle registrations, city directories, telephone directories, and driver's licenses. Supplemental lists may not be substituted for the voter registration list.~~ **the lists approved by the supreme court.** In ~~drawing names from supplemental lists,~~ **compiling the jury pool,** the jury commissioner shall avoid duplication of names.

(b) Whoever has custody, possession, or control of any of the lists making up or used in compiling the master ~~list, including those designated under subsection (a) by the supreme court as supplementary sources of names,~~ **list** shall furnish the list to the jury commissioner for inspection, reproduction, and copying at all reasonable times.

(c) When a copy of a list maintained by a public official is furnished, only the actual cost of the copy may be charged to the court.

(d) The master list of names shall be open to the public for examination as a public record, except that the source of names and any information other than the names contained in that source may not be public information.

SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 33-28-5-8; IC 33-28-6-8.

(Reference is to SB 69 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Judiciary.

GARTON, Chair

Report adopted.

SENATE BILLS ON SECOND READING

Senate Bill 94

Senator Lewis called up Senate Bill 94 for second reading. The bill was reread a second time by title.

SENATE MOTION
(Amendment 94–2)

Madam President: I move that Senate Bill 94 be amended to read as follows:

Page 1, after the enacting clause and before line 1 insert the following:

"SECTION 1. IC 34-11-2-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 10.5. An action brought by a volunteer:**

(1) firefighter; or

(2) member of a volunteer emergency medical services association connected with a unit of government as set forth in IC 16-31-5-1(6);

against the volunteer's political subdivision employer for being disciplined for being absent from employment while responding to an emergency must be commenced within one (1) year after

the date of the disciplinary action, as provided in IC 36-8-12-10.5 (g).

SECTION 2. IC 36-8-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

"Employee" means a person in the service of another person under a written or implied contract of hire or apprenticeship.

"Employer" means:

(1) a political subdivision;

(2) an individual or the legal representative of a deceased individual;

(3) a firm;

(4) an association;

(5) a limited liability company;

(6) an employer that provides on-the-job training under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth in IC 22-3-2-2.5(a); or

(7) a corporation or its receiver or trustee;

that uses the services of another person for pay.

"Essential employee" means an employee:

(1) who the employer has determined to be essential to the operation of the employer's daily enterprise; and

(2) without whom the employer is likely to suffer economic injury as a result of the absence of the essential employee.

"Nominal compensation" means annual compensation of not more than twenty thousand dollars ($20,000).

"Public servant" has the meaning set forth in IC 35-41-1-24.

"Responsible party" has the meaning set forth in IC 13-11-2-191(d).

"Volunteer fire department" means a department or association organized for the purpose of answering fire alarms, extinguishing fires, and providing other emergency services, the majority of members of which receive no compensation or nominal compensation for their services.

"Volunteer firefighter" means a firefighter:

(1) who, as a result of a written application, has been elected or appointed to membership in a volunteer fire department;

(2) who has executed a pledge to faithfully perform, with or without nominal compensation, the work related duties assigned and orders given to the firefighter by the chief of the volunteer fire department or an officer of the volunteer fire department, including orders or duties involving education and training as prescribed by the volunteer fire department or the state; and

(3) whose name has been entered on a roster of volunteer firefighters that is kept by the volunteer fire department and that has been approved by the proper officers of the unit.

"Volunteer member" means a member of a volunteer emergency medical services association connected with a unit as set for in IC 16-31-5-1 (6)."

Page 1, line 1, delete "SECTION 1" and insert "SECTION 3".

Page 1, line 6, delete ";" and insert "**or volunteer member;**"

Page 1, line 8, delete "." and insert "**or volunteer member.**"

Page 2, line 5, after "department" insert "**, or officer in charge of the volunteer emergency medical services association,**"

Page 2, after line 27, insert the following:

"SECTION 4. IC 36-8-12-10.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 10.7. (a) This section applies to an employee of a private employer who:**

(1) is a volunteer firefighter or volunteer member; and

(2) has notified the employee's employer in writing that the employee is a volunteer firefighter or volunteer member.

(b) Except as provided in subsection (c), the employer may not discipline an employee:

(1) for being absent from employment by reason of responding to a fire or emergency call that was received before the time that the employee was to report to employment; or

(2) for leaving the employee's duty station to respond to a fire or emergency call if the employee has secured authorization from the employee's supervisor to leave the duty station in response to a fire or an emergency call received after the employee has reported to work.

(c) After the employer has received the notice required under subsection (a)(2), the employer may reject the notification from the employee on the grounds that the employee is an essential employee to the employer. If the employer has rejected the notification of the employee:

(1) subsection (b) does not apply to the employee; and

(2) the employee must promptly notify the:

(A) fire chief or other officer of the in charge of the volunteer fire department; or

(B) the officer in charge of the volunteer emergency medical services association;

of the rejection of the notice of the employee who is a volunteer firefighter or a volunteer member.

(d) The employer may require an employee who has been absent from employment as set forth in subsection (b) to present a written statement from the fire chief or other officer in charge of the volunteer fire department, or officer in charge of the emergency medical services association, at the time of the absence indicating that the employee was engaged in emergency firefighting or emergency activity at the time of the absence.

SECTION 5. IC 36-8-12-10.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 10.9. (a) The employer may require an employee who will be absent from employment as set forth in:**

(1) section 10.5(c)(1); or

(2) section 10.7(b)(1);

of this chapter to notify the employer before the scheduled start time for the absence from employment to be excused by the employer.

(b) The employer is not required to pay salary or wages to an employee who has been absent from employment as set forth in section 10.5(c) or 10.7(b) of this chapter for the time away from the employee's duty station. The employee may seek remuneration for the absence from employment by the use of:

(1) vacation leave;

(2) personal time; or

(3) compensatory time off."

(Reference is to SB 94 as printed January 14, 2005.)

LEWIS

Motion prevailed. The bill was ordered engrossed.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill 135, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state property.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-12-13 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 13. Sale of State Assets

Sec. 1. This chapter applies to the disposition of an asset notwithstanding any other law.

Sec. 2. As used in this chapter, "asset" refers to any real or personal property owned by an entity.

Sec. 3. As used in this chapter, "disposition" refers to a sale, a lease, an installment sale, a transfer, a management or operation contract, or any other agreement governing, transferring, or pertaining to an asset.

Sec. 4. As used in this chapter, "entity" refers to either of the following:

(1) A state agency.

(2) A body corporate and politic established by statute.

Sec. 5. As used in this chapter, "obligation" refers to any of the following:

(1) A bond.

(2) A contract.

(3) A lease.

(4) A note.

(5) Any other obligation that provides for the payment of a debt.

Sec. 6. As used in this chapter, "person" refers to any of the following:

(1) An individual.

(2) A corporation.

(3) A general or limited partnership.

(4) A joint venture.

(5) A limited liability company.

(6) A nonprofit organization.

(7) A political subdivision (as defined in IC 36-1-2-13).

(8) A state educational institution (as defined in IC 20-12-0.5-1).

(9) An entity.

Sec. 7. As used in this chapter, "state agency" has the meaning set forth in IC 4-13-1-1(b).

Sec. 8. (a) The budget director's exercise of powers under this section is subject to both of the following:

(1) An advisory recommendation by the budget committee.

(2) Approval of the governor.

(b) Notwithstanding any other law, but subject to subsection (a), the budget director may provide for the disposition of an asset:

(1) on any basis or terms; and

(2) at any price;

the budget director determines is fiscally prudent and reasonable.

(c) The budget director's determination to convey an asset must:

(1) be in writing; and

(2) include consideration of the commercial value of the asset to be conveyed.

The value of the asset may be determined by any method that is commercially reasonable.

(d) The budget director may request proposals from persons as to the conveyance of an asset.

(e) The budget director has all powers necessary, convenient, appropriate, or desirable to implement this chapter, even if a power is not specifically granted by statute.

(f) The powers granted to the budget director under this chapter are supplemental to the powers otherwise granted to the budget director or an entity relating to the conveyance of an asset.

Sec. 9. The budget director, in exercising the powers and carrying out the duties under this chapter, may not take an action that would impair any obligation of an entity.

Sec. 10. The general assembly covenants and agrees with the holders or owners of an obligation issued under any statute by an entity that while any of the obligations are outstanding and unpaid, the budget director may not make a conveyance under this chapter to impair, and the state will not in any way impair, the rights and remedies of the holders or owners of the obligations until:

(1) the obligations;

(2) any interest on the obligations;

(3) interest on an unpaid installment of interest; and

(4) all costs and expenses relating to any action or proceedings by or on behalf of the holders or owners of the obligations;

are fully paid, met, and discharged.

SECTION 2. **An emergency is declared for this act.**

(Reference is to SB 135 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Appropriations.

GARTON, Chair

Report adopted.

SENATE BILLS ON SECOND READING

Senate Bill 121

Senator Paul called up Senate Bill 121 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Senate Bill 181

Senator Lanane called up Senate Bill 181 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Senate Bill 266

Senator Jackman called up Senate Bill 266 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

REPORT OF THE PRESIDENT PRO TEMPORE

Madam President: Pursuant to Senate Rule 65(b), I hereby report that Senate Bill 467, currently assigned to the Committee on Rules and Legislative Procedure, be reassigned to the Committee on Commerce and Transportation.

GARTON

SENATE BILLS ON SECOND READING

Senate Bill 422

Senator Clark called up Senate Bill 422 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Senate Bill 499

Senator Lawson called up Senate Bill 499 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Senate Bill 564

Senator Clark called up Senate Bill 564 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 564–1)

Madam President: I move that Senate Bill 564 be amended to read as follows:

Page 1, line 9, after "petitioner" insert "**and approved by the court**".

Page 1, line 13, delete "not later than".

Page 1, delete line 14.

Page 1, line 15, delete "the court under subsection (b).".

Page 1, line 15, after "section" insert "**not later than fourteen (14) calendar days after the date of the order entered by the court under subsection (b).**".

(Reference is to SB 564 as printed February 4, 2005.)

CLARK

Motion prevailed.

SENATE MOTION
(Amendment 564–2)

Madam President: I move that Senate Bill 564 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 2. IC 32-29-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A sheriff shall offer to sell and sell property on foreclosure in a manner that is reasonably likely to bring the highest net proceeds from the sale after deducting the expenses of the offer and sale.

(b) Upon prior petition of the debtor or any creditor involved in the foreclosure proceedings, the court in its order of foreclosure shall order the property sold by the sheriff through the services of an auctioneer **requested by the petitioner and approved by the court** if:

(1) the court determines that a sale is economically feasible; or

(2) all the creditors in the proceedings agree to both that method of sale and the compensation to be paid the auctioneer.

(c) ~~An~~ **The sheriff shall engage the** auctioneer ~~engaged by a sheriff under this section~~ **not later than fourteen (14) calendar days after the date of the order entered by the court under subsection (b). The auctioneer** shall **schedule the auction and** conduct the auctioneer's activities as appropriate to bring the highest bid for the property on foreclosure. The advertising conducted by the auctioneer is in addition to any other notice required by law.

(d) The auctioneer's fee must be a reasonable amount stated in the court's order. However, if the sale by use of an auctioneer has not been agreed to by the creditors in the proceedings and the sale price is less than the amount of the judgment and the costs and expenses necessary to the satisfaction of the judgment, the auctioneer is entitled only to the auctioneer's advertising expenses plus one hundred dollars ($100). The amount due the auctioneer on account of the auctioneer's expenses and fee, if any, shall be paid as a cost of the sale from its proceeds before the payment of any other payment from the sale.".

Page 1, line 13, delete "not later than".

Page 1, delete line 14.

Page 1, line 15, delete "the court under subsection (b).".

Page 1, line 15, after "section" insert "**not later than fourteen (14) calendar days after the date of the order entered by the court under subsection (b).**".

Renumber all SECTIONS consecutively.

(Reference is to SB 564 as printed February 4, 2005.)

CLARK

Motion prevailed. The bill was ordered engrossed.

Senate Bill 590

Senator Riegsecker called up Senate Bill 590 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 590–4)

Madam President: I move that Senate Bill 590 be amended to read as follows:

Page 1, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 2. IC 16-18-2-106.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 106.4. For purposes of IC 16-42-3, IC 16-42-19, and IC 16-42-22, "electronically transmitted" or "electronic transmission" means the transmission of a prescription in electronic form. The term does not include transmission of a prescription by facsimile.**".

Page 2, line 22, strike "pharmacist;" and insert "**pharmacist or pharmacist intern (as defined in IC 25-26-13-2);**".

Page 5, line 27, strike "pharmacist;" and insert "**pharmacist or**

pharmacist intern (as defined in IC 25-26-13-2);".

Page 6, line 10, delete "practitioner:" and insert "**practitioner must:**".

Page 6, line 11, delete "must".

Page 6, line 12, delete "may".

Page 6, line 12, delete "or".

Page 7, line 10, delete "indicate" and insert "**indicating with the electronic prescription**".

Page 7, line 11, delete "permitted electronically." and insert "**permitted.**".

Page 7, line 12, delete "or electronically transmits".

Page 7, line 13, delete "instructions".

Page 9, line 26, delete "the:" and insert "**a**".

Page 9, line 27, delete "(1)".

Page 9, line 27, delete "information".

Page 9, line 27, delete "form; or" and insert "**form. The term does not include the transmission of a prescription by facsimile.**".

Page 9, run in lines 26 through 27.

Page 9, delete lines 28 through 29.

Page 12, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 14. IC 25-26-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board may:

(1) promulgate rules and regulations under IC 4-22-2 for implementing and enforcing this chapter;

(2) establish requirements and tests to determine the moral, physical, intellectual, educational, scientific, technical, and professional qualifications for applicants for pharmacists' licenses;

(3) refuse to issue, deny, suspend, or revoke a license or permit or place on probation or fine any licensee or permittee under this chapter;

(4) regulate the sale of drugs and devices in the state of Indiana;

(5) impound, embargo, confiscate, or otherwise prevent from disposition any drugs, medicines, chemicals, poisons, or devices which by inspection are deemed unfit for use or would be dangerous to the health and welfare of the citizens of the state of Indiana; the board shall follow those embargo procedures found in IC 16-42-1-18 through IC 16-42-1-31, and persons may not refuse to permit or otherwise prevent members of the board or their representatives from entering such places and making such inspections;

(6) prescribe minimum standards with respect to physical characteristics of pharmacies, as may be necessary to the maintenance of professional surroundings and to the protection of the safety and welfare of the public;

(7) subject to IC 25-1-7, investigate complaints, subpoena witnesses, schedule and conduct hearings on behalf of the public interest on any matter under the jurisdiction of the board;

(8) prescribe the time, place, method, manner, scope, and subjects of licensing examinations which shall be given at least twice annually; and

(9) perform such other duties and functions and exercise such other powers as may be necessary to implement and enforce this chapter.

(b) The board shall adopt rules under IC 4-22-2 for the following:

(1) Establishing standards for the competent practice of pharmacy.

(2) Establishing the standards for a pharmacist to counsel individuals regarding the proper use of drugs.

(c) The board may grant or deny a temporary variance to a rule it has adopted if:

(1) the board has adopted rules which set forth the procedures and standards governing the grant or denial of a temporary variance; and

(2) the board sets forth in writing the reasons for a grant or denial of a temporary variance.

(d) The board shall adopt rules and procedures, in consultation with the medical licensing board, concerning the electronic transmission of prescriptions. The rules adopted under this subsection must address the following:

(1) Privacy protection for the practitioner and the practitioner's patient.

(2) Security of the electronic transmission.

(3) A process for approving electronic data intermediaries for the electronic transmission of prescriptions.

(4) Use of a practitioner's United States Drug Enforcement Agency registration number.

(5) Protection of the practitioner from identity theft or fraudulent use of the practitioner's prescribing authority.".

Page 12, line 13, delete "facsimile,".

Page 12, line 15, delete "intermediary:" and insert "**intermediary that is approved by the board:**".

Page 15, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 16. IC 25-26-13-25.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 25.5. A prescription may be transmitted electronically from a practitioner to a pharmacist only through the use of an electronic data intermediary approved by the board.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 590 as printed February 1, 2005.)

RIEGSECKER

Motion prevailed. The bill was ordered engrossed.

Senate Bill 626

Senator Clark called up Senate Bill 626 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 626–1)

Madam President: I move that Senate Bill 626 be amended to read as follows:

Page 1, delete line 8, begin a new line double block indented and insert:

"**(B) a valid certification of compliance with structural and life safety standards as determined by the commission, for a riverboat as defined in IC 4-33-2-17; and**"

Page 1, line 9, delete "commission;".

Page 1, line 9, strike "and".

(Reference is to SB 626 as printed February 4, 2005.)

CLARK

Motion prevailed. The bill was ordered engrossed.

Senate Bill 60

Senator Weatherwax called up Senate Bill 60 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill 583, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-4-3.9 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 3.9. Dealers in Agricultural Products

Sec. 1. As used in this chapter, "agricultural products" includes fruits, vegetables, and eggs, but does not include dairy products, grains, and other basic farm crops.

Sec. 2. As used in this chapter, "commissioner" means the commissioner of agriculture.

Sec. 3. As used in this chapter, "dealer" means a person, an association, an itinerant dealer, a partnership, or a corporation engaged in the business of:

(1) the buying, receiving, selling, exchanging, or negotiating; or

(2) the soliciting the sale, resale, exchange, or transfer;

of any agricultural products purchased from a producer, producer's agent, or representative or received on consignment from the producer or a producer's agent or representative or received to be handled on a net return basis from the producer.

Sec. 4. As used in this chapter, "net return basis" means a purchase for sale of agricultural products from a producer or shipper at a price that is not fixed or stated at the time the agricultural products are shipped from the point of origin. The term includes all purchases made:

(1) at the market price;

(2) at net worth: or

(3) on similar terms;

indicating that the buyer is the final arbiter of the price to be paid.

Sec. 5. As used in this chapter, "on consignment" means any receiving or sale of agricultural products for the account of a person, other than the seller, where the seller acts as the agent for the owner.

Sec. 6. As used in this chapter, "producer" means any producer of agricultural products.

Sec. 7. A dealer must have a license issued by the commissioner to engage in business.

Sec. 8. A dealer shall file an application for a license with the commissioner. The application must be on a form furnished by the commissioner and must include the following:

(1) The kind or kinds of agricultural products the applicant proposes to handle.

(2) The:

(A) full name or title of the applicant;

(B) name of each member of the association or partnership, if the applicant is an association or a partnership; or

(C) the name of each officer of the corporation, if the applicant is a corporation.

(3) The names of the local agent or agents of the applicant.

(4) The municipalities within which places of business of the applicant will be located, together with the street or mailing address of each place of business.

Sec. 9. If the applicant meets the requirements established by the commissioner, the commissioner shall issue a license to the applicant, upon the execution and delivery of a bond required under section 10 of this chapter. No fee for the license shall be charged. The license is valid until revoked or suspended as provided in this chapter.

Sec. 10. (a) Before a license is issued to the applicant under this chapter, the dealer shall make and deliver to the commissioner a surety bond.

(b) The bond must be in an amount determined by the commissioner not to exceed an amount equal to the maximum amount of products:

(1) purchased from or sold by producers; or

(2) estimated to be purchased or sold;

in any month. The bond must be in a form prescribed or approved by the commissioner. The bond must be in an amount to secure the faithful accounting for and payment to producers, or to the agents or representatives of producers for the proceeds of all agricultural products handled or sold by the dealer.

(c) Instead of a surety bond, the commissioner may accept a cash bond, which must be subject to the same claims and actions that would exist against a surety bond.

(d) If the commissioner determines that a previously approved bond has for any cause become insufficient, the commissioner may require an additional bond or bonds to be given. If:

(1) an additional bond or bonds is not given within the time fixed by written demand; or

(2) the bond of a dealer is canceled;

the license of the person shall be immediately revoked by operation of law without notice or hearing.

Sec. 11. (a) A person claiming that the person has been damaged by a breach of the conditions of a bond given by a dealer may file a complaint with the commissioner. The complaint must:

(1) include a written statement of the facts constituting the complaint; and

(2) be made within one hundred eighty (180) days after the alleged breach.

(b) If there is a finding that the dealer is in breach, and the bond or collateral posted is insufficient to pay in full the valid claims of producers, the commissioner may direct that the proceeds of the bond to be divided pro rata among producers.

Sec. 12. The commissioner may decline to grant a license or may suspend or revoke a license already granted if the commissioner is satisfied that the applicant or licensee has:

(1) a money judgment entered against the dealer upon which execution has been returned unsatisfied;

(2) made false charges for handling or services rendered;

(3) failed to account promptly and properly or to make settlements with any producer;

(4) made any false statement or statements as to condition, quality, or quantity of goods received or held for sale when the applicant or licensee could have ascertained the true condition, quality, or quantity by reasonable inspection;

(5) made any false or misleading statement or statements as to market conditions or service rendered;

(6) been found guilty of a fraud in the attempt to procure or in the procurement of a license; or

(7) directly or indirectly sold agricultural products received on consignment or on a net return basis for the dealer's own account.

Sec. 13. Disputes occurring under this chapter are governed by IC 4-21.5.

Sec. 14. (a) Every dealer, upon the receipt of agricultural products on a consignment basis shall make and preserve for at least one (1) year a record specifying:

(1) the name and address of the producer consigning the agricultural products;

(2) the date of receipt;

(3) the kind and quality of the products;

(4) the amount of goods sold;

(5) the name and address of the purchaser, provided that where sales total less than five dollars ($5) in value, the sales may be made to the order of cash;

(6) the selling price; and

(7) the items of expenses connected with the purchase.

(b) An account of sales, together with payment in settlement for the shipment, shall be mailed to the producer within forty-eight (48) hours after the sale of the agricultural products, unless otherwise agreed in writing.

Sec. 15. (a) Upon receipt of complaint from any interested person or upon the commissioner's own initiative, the commissioner may investigate:

(1) the record of any dealer;

(2) any transaction involving the solicitation, receipt, sale, or attempted sale of agricultural products;

(3) the failure to pay proper and true accounts and settlements at prompt and regular intervals;

(4) the making of false statements as to condition, quality, or quantity of goods received or in storage;

(5) the making of false statements as to market conditions with intent to deceive;

(6) the failure to make payment for goods received; or

(7) other alleged injurious transactions.

(b) For the purposes specified in subsection (a), the commissioner or the commissioner's agents may examine the:

(1) ledgers;

(2) books of accounts;

(3) memoranda; and

(4) other documents that relate to the transaction involved;

at the place or places of business of the dealer, and may take testimony thereon under oath.

Sec. 16. Whenever produce is shipped to or received by a dealer for handling, purchase, or sale at any market point and the dealer finds the produce to be in a spoiled, damaged, unmarketable, or unsatisfactory condition, unless both parties waive inspection before sale or other disposition of the produce, the dealer shall cause the produce to be examined by an inspector assigned by the commissioner for the purpose of inspecting the produce. An inspector shall execute and deliver a certificate to the dealer stating the:

(1) day, time, and place of the inspection; and

(2) condition of the produce;

and shall mail or deliver a copy of such certificate to the shipper.

Sec. 17. (a) In the absence of a written contract between the producer and a dealer to the contrary, any agricultural product that is:

(1) harvested by:

(A) a dealer;

(B) an agent or employee of a dealer; or

(C) an independent contractor retained by a dealer; or

(2) delivered to a dealer or an agent or employee of the dealer on the farm or at a facility of the dealer;

becomes the property of the dealer at the time of delivery, and the dealer shall become obligated to pay the agreed upon price as provided in subsection (b).

(b) A dealer shall make prompt payment for agricultural products purchased. Prompt payment shall mean payment twenty (20) days following delivery unless explicitly stated otherwise in a written contract agreed to by the producer and dealer.

(c) Unless explicitly stated otherwise in a written contract, at the time of delivery as specified in subsection (a), the dealer and the producer shall jointly issue a certificate of receipt and quality to the producer or the producer's agent. The certificate of receipt and quality must contain information, including the following:

(1) Name and address of the dealer.

(2) Name and address of the producer.

(3) Delivery date and time of receipt.

(4) Description of the product as to identity, quantity, quality, condition, and grade of the product.

(5) Price per unit.

(6) Terms of the transaction.

Information contained in the certificate of receipt and quality pertaining to quality, quantity, and price is presumed to be satisfied unless agricultural products are inspected and a certificate stating the products are in a different condition is issued by an inspector within forty-eight (48) hours after delivery of the agricultural products to the dealer.

(d) This section does not preclude the producer from commencing and maintaining an action against the dealer in any civil action.

Sec. 18. It is unlawful for any dealer to knowingly:

(1) sell;

(2) offer for sale; or

(3) possess;

agricultural products that do not comply with the standards of quality established by the commissioner pertaining to the products.

Sec. 19. This article does not apply to:

(1) farmers or groups of farmers in the sale of agricultural products grown by themselves;

(2) persons who buy products paying with:

(A) cash;

(B) a certified check; or

(C) a cashier's check, or the equivalent; or

(3) holders of food sales establishment licenses who conduct no business at the wholesale level and who have fewer than ten (10) employees.

Sec. 20. A person who knowingly violates this chapter commits a Class B misdemeanor.

(Reference is to SB 583 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Agriculture and Small Business.

GARTON, Chair

Report adopted.

ENGROSSED SENATE BILLS ON THIRD READING

Engrossed Senate Bill 15

Senator Lawson called up Engrossed Senate Bill 15 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 112: yeas 32, nays 16. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill. House sponsors: Representatives Richardson and Thomas.

Engrossed Senate Bill 193

Senator Paul called up Engrossed Senate Bill 193 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning war memorials and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 113: yeas 48, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill. House sponsors: Representatives Alderman, Grubb, and Buell.

Engrossed Senate Bill 217

Senator Server called up Engrossed Senate Bill 217 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 114: yeas 34, nays 15. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill. House sponsor: Representative Wolkins.

Engrossed Senate Bill 332

Senator M. Young called up Engrossed Senate Bill 332 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 115: yeas 46, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill. House sponsors: Representatives Ruppel, Davis, Goodin, and Denbo.

SENATE MOTION

Madam President: I move that Senator Steele be added as coauthor of Senate Bill 32.

ZAKAS

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Kenley be removed as second author of Senate Bill 1.

KENLEY

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Hume be removed as coauthor of Senate Bill 1.

HUME

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Hume be added as second author and Senator Kenley be added as coauthor of Senate Bill 1.

FORD

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Hume be removed as second author of Senate Bill 496.

HUME

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Simpson be added as second author and Senator Hume be added as coauthor of Senate Bill 496.

KENLEY

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Breaux be removed as second author of Senate Bill 13.

BREAUX

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Wyss be added as second author and Senators Bray, Breaux, Lanane, Mrvan, and Long be added as coauthors of Senate Bill 13.

ZAKAS

Motion prevailed.

SENATE MOTION

Madam President: I move that Senators Landske and Miller be added as coauthors of Engrossed Senate Bill 15.

LAWSON

Motion prevailed.

SENATE MOTION

Madam President: I move that Senators Miller, Dillon, and Simpson be added as coauthors of Senate Bill 481.

LAWSON

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Alting be added as coauthor of Engrossed Senate Bill 193.

PAUL

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Drozda be added as coauthor of Senate Bill 516.

LUBBERS

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Kenley be added as coauthor of Senate Concurrent Resolution 12.

LANDSKE

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Craycraft be added as coauthor of Senate Joint Resolution 10.

LAWSON

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Weatherwax be added as coauthor of Senate Joint Resolution 10.

LAWSON

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Wyss be added as second author of Senate Bill 62.

LONG

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Wyss be added as second author of Senate Bill 61.

LONG

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Hume be added as second author and Senator Craycraft be added as coauthor of Senate Bill 32.

ZAKAS

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Breaux be added as second author of Senate Bill 603.

LANDSKE

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Lanane be added as second author of Senate Bill 446.

GARD

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Broden be added as second author and Senators Kruse and Miller be added as coauthors of Senate Bill 310.

GARD

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Craycraft be removed as second author of Senate Bill 436.

CRAYCRAFT

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Craycraft be removed as second author of Senate Bill 437.

CRAYCRAFT

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Mrvan be removed as author of Senate Bill 436 and that Senator Craycraft be substituted therefor.

MRVAN

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Mrvan be removed as author of Senate Bill 437 and that Senator Craycraft be substituted therefor.

MRVAN

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Landske be added as second author and Senator Craycraft be added as coauthor of Senate Concurrent Resolution 16.

LANANE

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Zakas be added as coauthor of Senate Bill 127.

RIEGSECKER

Motion prevailed.

SENATE MOTION

Madam President: I move that Senators Lanane and Zakas be added as coauthors of Senate Bill 516.

LUBBERS

Motion prevailed.

SENATE MOTION

Madam President: I move that Senators Hume and Jackman be added as coauthors of Senate Bill 219.

NUGENT

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Clark be added as second author of Senate Bill 638.

FORD

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Garton be removed as author of Senate Bill 69 and that Senator Lawson be substituted therefor.

GARTON

Motion prevailed.

SENATE MOTION

Madam President: I move we adjourn until 1:30 p.m., Monday, February 14, 2005.

GARTON

Motion prevailed.

The Senate adjourned at 3:37 p.m.

MARY C. MENDEL
Secretary of the Senate

REBECCA S. SKILLMAN
President of the Senate